

NEWS: EUROPE

Bossi independence call may speed constitutional reform Di Pietro plans to be public works minister

By Andrew Hill in Milan

Italy's political parties may have to accelerate moves for a federal reform of the constitution, following overt calls for the independence of northern Italy by Mr Umberto Bossi, leader of the separatist Northern League.

Commentators from both sides suggested a new government would have to table proposals for federal reform almost immediately after taking office to defuse Mr Bossi's threats.

support of the Marxist Reconstructed Communism (RC). However the League's backing may be necessary if the Olive Tree wants to push through certain measures opposed by RC, including privatisation, entry into European monetary union, and public spending cuts.

Mr Romano Prodi, who is likely to be asked to form the next government, said at the weekend that Mr Bossi's proposals were worrying, but he played down the risk that the League could upset the centre-left's plans.

By Andrew Hill

Mr Antonio Di Pietro, the former anti-corruption magistrate, plans to join a future Italian government under Mr Romano Prodi, as minister of public works.

mer magistrate, consistently voted one of Italy's most popular personalities following his work in exposing the Tangentopoli ("Bribesville") corruption scandals.



Antonio Di Pietro (left) in his role as anti-corruption magistrate on his way to question a fraud suspect in 1993

depend for its parliamentary majority, criticised the decision, saying it would bring "a conservative into the government".

"of his work as an anti-corruption magistrate. Some of the worst cases of bribery were linked to public works contracts. His job will involve relaunching infrastructure projects, many of which were frozen to stem corruption."

European alliance set to wield sharper sword

By Bruce Clark in Brussels

Britain, a diehard defender of transatlantic defence ties, will be cast tomorrow in a new role, as host of a 27-nation conference on boosting Europe's capacity to assemble military missions without US participation.

least, participants in tomorrow's meeting in Birmingham of the Western European Union will probably duck questions about particular conflicts and turn their attention to broader issues, such as how to give the WEU more teeth.

Atlantic alliance. The few dozen people who work with Mr Jose Cutieiro, the WEU's Portuguese secretary-general, are no match for the huge information-gathering and planning machine that serves Nato, in a different part of Brussels.

WEU next month and the organisation will soon be responsible for a programme of military exercises and an annual defence planning conference.

line with its own rapprochement with Nato. The Birmingham talks will also consider terms on which peacekeeping operations could be joined by four neutral countries - Ireland, Austria, Finland and Sweden - which are full members of the European Union and observers at the WEU.

the EU and the WEU. But Finland and Sweden, in a stance that could undermine the British argument, have recently signalled their keenness to take part in European-only peacekeeping missions.

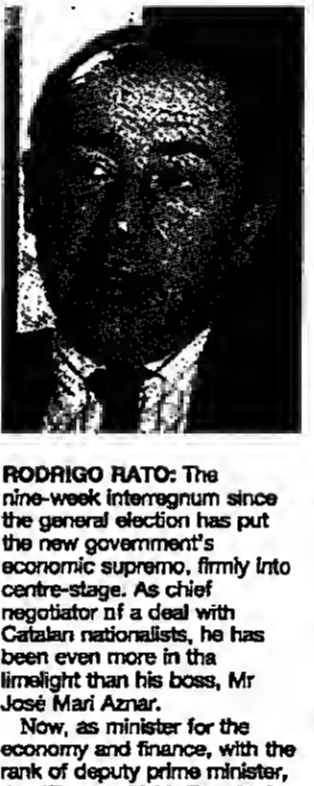
Spanish cabinet boasts record number of women, independents and former centrists



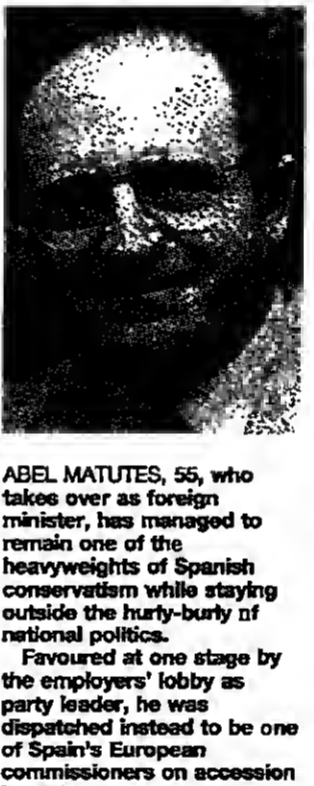
Spanish PM José María Aznar (left) is congratulated yesterday by King Juan Carlos after taking the oath of office



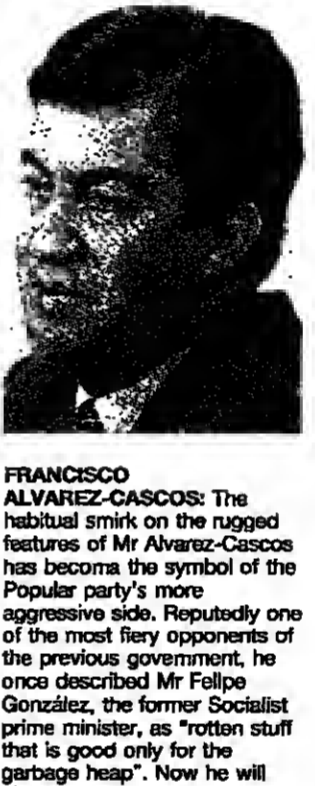
JAIME MAYOR OREJA: Interior minister is one of Spain's hardest jobs. Of the four people who served in the post during the Socialist administration, two resigned and another faces criminal charges over anti-terrorist tactics.



RODRIGO RATO: The nine-week interim since the general election has put the new government's economic supremacy, firmly into centre-stage.



ABEL MATUTES, 55, who takes over as foreign minister, has managed to remain one of the heavyweights of Spanish conservatism while staying outside the hurly-burly of national politics.



FRANCISCO ALVAREZ-CASCOS: The habitual smirk on the rugged features of Mr Alvarez-Cascos has become the symbol of the Popular party's more aggressive side.

Regional parties stay in shadows

By David White in Madrid

The Spanish cabinet announced yesterday boasts a record number of four women ministers, three independents, four former centrists, but no representatives of the regional parties whose support Mr José María Aznar has to rely on to stay in government.

alists is evident in the appointment of a Catalan economist and businessman, Mr Josep Piqué, 41, as industry minister.

Mr Mayor Oreja, 44, has been the Popular party's leader in the region and played the chief role in negotiating parliamentary support for the new government from the Basque Nationalist party in spite of fierce electoral rivalry.

Having done much of the work of presenting the Popular party's plans abroad in the run-up to the election, he is already well known in international financial circles.

His Brussels experience has given him thorough knowledge not only of European Union affairs but also of those other priority areas of Spanish foreign policy, the Mediterranean and Latin America.

Now 48, he joined Mr Fraga's party in 1976 soon after General Franco's death. An engineer by training, he became a councillor in the northern industrial city of Gijón, the only rightwinger on the council at the time.

THE FINANCIAL TIMES Published by The Financial Times (Europe) GmbH, Niederwallstraße 2, 10338 Frankfurt am Main, Germany. Telephone +49 69 156 830. Fax +49 69 596 4481. Represented in Frankfurt by J. Walter Brand, Wilhelm I. Brunsel, Colin A. Kennedy as Geschäftsführer and in London by David C.M. Bell, Chairman, and Alan C. Miller, Deputy Chairman. Shareholders of The Financial Times (Europe) GmbH are The Financial Times (Europe) Ltd, London and F.T. (Germany) Advertising Ltd, London. Shareholder of the above mentioned two companies is: The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL. GERMANY: Responsible for Advertising: Colin A. Kennedy. Printer: Hüter Internationale Verlagsgesellschaft mbH, Adenauer-Ring 66-68, 53113 Neuss. ISSN 0950-0804. 7863. Responsible Editor: Richard Lambert, c/o The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL. SWEDEN: Responsible Publisher: Hugh Carnegie, 468 018 0683. Printer: AB Kvalitetstryckeriet, PO Box 6007, S-250 06, Jönköping. © The Financial Times Limited 1996. Editor: Richard Lambert, c/o The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL. R

Yeltsin met liberal presidential candidate for two hours to debate 'campaign ethics'

Yavlinsky discussed joint election bid

By Sander Thoenes in Moscow Mr Grigory Yavlinsky, a liberal presidential candidate in next month's Russian election, yesterday revealed that he had been meeting secretly with two other candidates to discuss a joint bid.

Newspapers predicted that Mr Lebed, a former army general, and Mr Fyodorov, a famous eye surgeon, would drop their bids in favour of Mr Yavlinsky.

"It is profitable for them to look like a third force and gain the political weight they have lacked so far," said Andrei Shutov, a political analyst.

Mr Alexander Korzakov, chief of the presidential security service and one of Mr Yeltsin's most influential advisers, yesterday joined growing calls in Moscow for postponement of the elections.

Friday, Mr Yeltsin overruled the objections of his finance minister to the president's pledge to allow factory directors to set aside 30 per cent of pre-tax revenues for wage payments and equipment purchases.

Mr Yavlinsky, who is rated a distant third in opinion polls for the June 16 presidential election, confirmed in a newspaper interview yesterday that he had met with Gen Alexander Lebed and Mr Svyatoslav Fyodorov.

Beyond dislikes of the main contenders, there is little that could unite the trio. Mr Lebed's campaign aides yesterday denied that their candidate would drop out in favour of Mr Yavlinsky.

The Interfax news agency reported that they had merely discussed campaign ethics. However newspapers speculated that the president could offer Mr Yavlinsky, a prominent economist, the post of

prime minister in a cabinet if he were to drop out of the race.

Mr Yeltsin has made a series of costly election campaign promises in recent months, sparking fears that he is sacrificing tight budget policy to win votes.

Norwegian oil industry hit

EUROPEAN NEWS DIGEST

A strike by offshore workers that has severely cut Norway's North Sea oil and gas production was set to enter its third day today. The stoppage by 750 members of the Federation of Oil Workers (OFS) has hit nine North Sea production fields - affecting Norway's three big petroleum groups, Statoil, Norsk Hydro and Saga Petroleum, as well as foreign producers including Shell, British Petroleum and France's Elf.

Bernabè renominated for Eni

The Italian treasury has renominated Mr Franco Bernabè, chief executive of Eni, to the board of the state-controlled oil, gas and chemicals group and proposed Mr Guglielmo Moscato as chairman of the company.

Bremer Vulkan investigation

Germany's federal crime agency, the BKA, is investigating managers from the bankrupt Bremer Vulkan shipbuilding company over allegations of fraud, it was confirmed yesterday. According to a report in the magazine Der Spiegel today, among those under investigation are top managers from both western and eastern Germany.

Tietmeyer hint on rates

Mr Hans Tietmeyer, Bundesbank president, hinted at the weekend there was room for further cuts in German interest rates. He said the Bundesbank's recent rate cuts had "expanded the possibilities for further interest rate moves in our securities business". But rate changes would be dependent on the development of the money supply, he added.

Boost to sales of modems

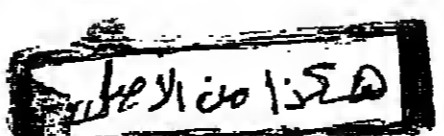
The growing popularity of electronic mail, the Internet and consumer online services such as America On Line and CompuServe in Europe helped boost the sales of modems - devices that enable computers to communicate over ordinary telephone lines - by 68 per cent to 4.51m units last year, according to Datquest, the market research firm.

Austerity measures for Belgium

Belgium's cabinet agreed over the weekend on an extra BF25bn (\$790m) worth of austerity measures as part of its effort to qualify for participation in a single European currency. Mr Herman de Rompuy, budget minister, said the measures included spending cuts and the tapping of "new sources of revenue" but not a rise in taxes.

Baltic nations hold summit

A meeting of Baltic Sea nation leaders at the weekend pledged support for efforts by Poland, Estonia, Latvia and Lithuania to join the European Union and urged the EU to conclude quickly a partnership and co-operation agreement with Russia.



INTERNATIONAL PRESS REVIEW

Round in circles in 'Topsyturvydom'

INDIA By Mark Nicholson

Covering India's eleventh election has proved particularly arduous and baffling for the country's political scribes. There have been no big national issues to mull, no waves of support to surf, no Gandhi leader in the Gandhi mould to follow and, to cap it all, none of the usual carnival campaigning, thanks to Mr TN Seshan, the fierce election commissioner, whose strictures put paid to hullabaloo. Not that colour has been entirely absent. There were the campaigning parades in Bihar, which also enjoyed the spectacle of 40 water-borne campaigning dwarves.

what one needs is brains not genitals". Otherwise, India's English press has resorted to covering swathes of election pages with diligent but repetitious reports from hundreds of constituencies. This has provided the professional pundits in Delhi with less a "big picture" than a puzzling and shifting political kaleidoscope. Opinion polls have not helped - they all suggest the three main political groups, Congress, the Bharatiya Janata party and the Left Front-National Front alliance, might fare relatively evenly and that a coalition government will result. "We are heading," Mr Arun Nehru concluded with helpful clarity in yesterday's Pioneer, "for a coalition of an uncertain nature, for an uncertain period, with uncertain allies and confusing ideologies". It will be with some relief, therefore, that the pundits will welcome the last major day of voting tomorrow, the results later this week and the inevitably more analysable jockeying, horse-trading, backstabbing, splitting, unholy alliance-making and general jiggery-pokery on their Delhi doorstep which will lead to some form of government.



Musical chairs, as seen by The Hindu: Indian politicians pace around the prime minister's 'throne'

In yesterday's papers the task began in earnest. While the front pages all focused on apparently growing moves within the Congress party to unseat Mr PV Narasimha Rao, the prime minister, should the party perform as poorly as some opinion polls suggest, the editorial pages bristled with speculation as to who might succeed him as India's next premier. However, in what Mr VN Narayan calls in the Hindustan Times India's new 'Topsyturvydom', even this topic has the pundits running in circles. The names of no fewer than 18 politicians were advanced in yesterday's press as potential candidates. "It's literally anyone's game," said the Times of India, which profiled 14 contenders. The list included Mr Rao, Mr AB Vajpayee, the BJP leader, Mr KR Narayan, India's vice-president, Mr Jyoti Basu, Communist party chief, Mr Laloo Prasad Yadav, the charismatic populist who leads the Janata Dal party, Mr VP Singh, former Janata Dal prime minister, Mr Manmohan

Singh, finance minister, and more. And, mindful of the fact that Mr Rao himself emerged from nowhere to lead the Congress party after the 1991 elections, Mr M Akbar, editor of the Asian Age, warns wisely to "keep a sharp eye concentrated on any dark horse". The air will soon be filled, continues Mr Akbar, with the noise of parties "hammering out" consensus behind one or other political leader. "The sound of that hammering will have an ominous resemblance to chaos," he says. "And if that fills you with dread, get yourself tougher nerves." The process, most analysts tend to agree, will be as nasty and brutish as the resulting government is likely to prove short. But if that leads to a period of political instability, then this, at least for some of what one journalist termed the "new breed of rustic regional politicians", will be welcome. The Pioneer's front page reports Mr Mulayam Singh Yadav, leader of the lower-caste and Uttar Pradesh-based Samajwadi party, receiving "loud cheers" on Saturday for claiming he was "not interested in a stable government". The report said Mr Yadav "went on to explain that since

An opinion poll in yesterday's Times of India gave the Congress party and the Bharatiya Janata party 169 and 166 seats respectively, Ruter reports from New Delhi. With results due later this week in India's general election, the National Front-Left Front was forecast to win 145 seats and others 58. However, a poll of polls in the Pioneer gave Congress 31.4 per cent of the vote, the BJP 23.9 per cent and the NF-LF 22 per cent. In India's first-past-the-post system, the percentage share of the vote does not necessarily translate into the number of seats won. stable governments over the past 40 years have brought no benefits for the peasantry, it is high time to have some instability, so that villages could prosper". The notion that instability might throw up some political benefits for India's poor has also been aired by Mr VP Singh. It might not look so good to foreign investors, though, nor for that matter to Delhi's political establishment. The new "rustics", like Mr Yadav, seem determined to offer Delhi a political jolt.

Bhutto accuses India of staging bomb blasts

By Farhan Bokhari in Islamabad

Pakistan at the weekend accused India of organising recent bomb blasts in Punjab to divert attention from what Islamabad called "sham elections" in the disputed Himalayan state of Kashmir. The allegations raised fresh concern that tension might rise between predominantly Islamic Pakistan and a new government in Delhi after India's elections. Ms Benazir Bhutto, Pakistan's prime minister, said on Saturday: "The reports that I have received from different agencies all come to the same conclusion that in all probability these bombings... are the work of RAW, the Indian intelligence agency, to divert attention from the situation in Jammu and Kashmir." Pakistan has rejected India's plans to hold elections in its troubled Jammu and Kashmir state, saying that such elections would not meet the legitimate demands of the Moslems who form a majority there.

Pakistan's comments referred to a recent bomb blast in a bus outside Lahore, capital of the Punjab, where 37 people were killed and more than 30 injured. A further six people were killed and more than 30 injured when a bomb, hidden in an air-conditioning duct, hit the Shaukat Khanum memorial hospital in Lahore, built by Mr Imran Khan, Pakistan's former cricket captain. Ms Bhutto's remarks came amid concern in Pakistani circles over the possibility of an election victory by the Hindu nationalist Bharatiya Janata party, which is considered hostile to Pakistan. Pakistan and India have fought three wars over the division of Kashmir. Pakistan has demanded that the people of the state be given the right of self-determination to choose whether to remain within India or join Pakistan. New Delhi has rejected the demand on the grounds that Kashmir's future is an internal matter. Both sides maintain thousands of troops along their Himalayan border.

Robust growth predicted for Asian nations

By John Ridding in Hong Kong

Growth prospects in the Asia-Pacific region remain robust, but rising current account deficits in some economies require careful management and will put upward pressure on international interest rates, according to an annual study by the Asia Pacific Economics Group. The study has predicted a fall in the total east Asian current account surplus this year to \$73.2bn, compared with \$106.6bn in 1995. It forecast increased deficits in Indonesia and Malaysia, while Japan's surplus was projected to fall from \$110.4bn to \$101.4bn. "Several of the Asian economies will need to watch perceptions in financial markets," said Mr Ross Garnaut, professor of Economics at the Australian National University, where the group is based. Referring to Thailand, Indonesia and Malaysia, the study expressed little concern about the threat of rising deficits and played down parallels with the Mexican crisis of 1995. "But the costs of adjustment forced by loss of confidence in financial markets are so large that it would be prudent for each of them to tighten budget policy," the report said. The greatest risk of a change in market sentiment was seen in China. "High inflation, recent modest yuan appreciation and continued double-digit growth will generate a rapid turnaround from a large current account surplus to substantial deficit through 1996 and 1997," the study said. Mr Garnaut argued that

risks could be increased if the US decided against the renewal of China's Most Favoured Nation trading status. He said this would probably trigger counter measures and further retaliatory action which would undermine economic confidence. Apart from such risks, the annual study gave an upbeat assessment of moves to liberalise trade and investment in the region. It noted a steady rise in intra-regional trade and the increased share of US exports going to east Asia. "This emphasises that withdrawal to fortress North America is not an option," said Mr Garnaut. The increase in intra-regional trade and investment flows, which includes a rapid rise in investment in southeast Asia by the newly industrialising economies of Taiwan, South Korea, Hong Kong and Singapore, is seen as one of the driving forces in continued growth in the region. "Southeast Asia will have another strong year, similar in aggregate to 1995," said the study, referring to a predicted expansion in gross domestic product of 8.2 per cent. Driven by increased growth in Japan, which is expected to see GDP growth increase from 0.9 per cent to 2.5 per cent this year, northeast Asia is also set for stronger expansion. Some slowing, however, was predicted in newly industrialised economies. "The highest-income newly industrialised economies are slowing down now that they are at or near the world frontiers of productivity and incomes," the report said.

Table: Current account balances in East Asia. Columns: 1994, 1995, 1996. Rows: Japan, Korea, China, Hong Kong, Taiwan, Indonesia, Malaysia, Philippines, Singapore, Thailand, Vietnam, Total East Asia. Includes source: Asia Pacific Economics Group.

Seoul, Pyongyang link in TV set assembly

The imminent arrival in South Korea of the first electronics goods assembled in North Korea is another example of expanding economic ties. Reuter reports from Seoul. LG International, a trading arm of South Korea's LG Group, said at the weekend that 250 50cm colour television sets would arrive at the South Korean port of Incheon from a factory near the North Korean capital of Pyongyang. It will be the first shipment of electronics products from the North. Some light industrial goods, such as clothing and bags, have been delivered in the past. "This is another step in a gradual move towards the expansion of economic ties," said an official from

South Korea's Unification Ministry. LG International said the televisions were produced using components from LG Electronics. "We plan to produce 20,000 colour TVs in North Korea this year and expand output to 40,000 units next year," it said. The shipment follows announcement of the first joint venture between companies in North and South Korea. Daewoo Corp, a trading arm of the Daewoo group, said last week it had established a \$10.5m joint venture with North Korea's Samchollil to make shirts, bags and jackets. The venture was one of 10 approved by the Unification Ministry.

Large advertisement for swissair featuring a background image of a plane wing and the text 'Best in Business.' and 'swissair - a refreshing airline.'

NEWS: WORLD TRADE

EU's farm ministers split over free trade

By Caroline Southey in Orvanto, southern Italy

EU agriculture ministers gathered in southern Italy yesterday to thrash out a common approach to Europe's policy on free trade areas (FTAs).

"economically beneficial, bolstering the EU's presence in dynamic economies and contributing to the overall process of liberalisation worldwide".

Organisation early last year. The EU's appetite for FTAs has reflected a worldwide hunger for regional trade arrangements. According to the World Trade Organisation 26 FTAs have been agreed worldwide over the last 20 months, as many as agreed in the 47 years since the first multilateral trade round was completed.

The farm ministers know the writing is on the wall. WTO rules stipulate that a free trade zone is defined as "a group of two or more customs territories in which the duties and other restrictive regulations... are eliminated on substantially all the trade between the territories".

"period of political reflection" to allow for a more coherent analysis and evaluation procedure. In addition, the presidency paper argues that it is "hardly acceptable... to stand by and allow whole sensitive sectors of the European economy to collapse under the impact of the liberalisation of markets".

Others also believe the Commission has been at fault, pointing out that most of the EU's FTA accords have been initiated by individual commissioners. "While their political motives might be laudable, the economic impact is often ignored," a trade official said.

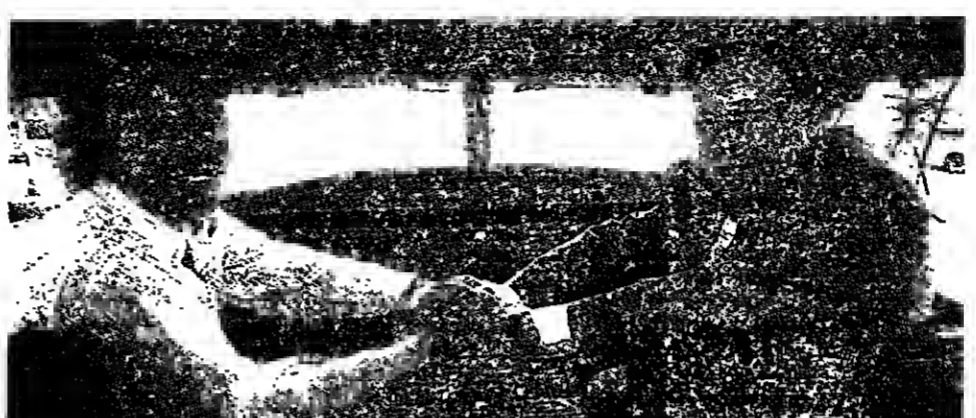
Virgin's interest boosts 'super jumbo' prospects

By Michael Skapinker, Aerospace Correspondent

Mr Richard Branson's Virgin Atlantic has become the third airline to express a strong interest in buying double-decker "super jumbo" aircraft capable of carrying more than 500 passengers.

to justify the expense of developing the aircraft. Boeing wants to start work at the end of this year on the Boeing 747-600X, an extended version of its 400-seat 747-400.

larger aircraft because of congestion at Heathrow. Mr Branson said an additional reason for Virgin to buy larger aircraft was to accommodate bigger on-board lounge areas and the popular massage services it offers on its Boeing 747s.



Richard Branson pictured with Airbus chief Jean Pierson: talks on buying A340s

Boeing of the US and Airbus Industrie, the European manufacturing consortium, plan to bring the aircraft into service early in the next century. British Airways and Singapore Airlines have already said they are likely to invest in super jumbos. Virgin's interest adds to the chances of one or both projects going ahead.

Analysis estimate that developing such an aircraft would cost Boeing \$2bn. Airbus might have to spend \$3bn to \$1.2bn on developing a completely new aircraft, as its highest existing model, the A330, carries only 335 passengers.

Mr Branson is also talking to Boeing about buying 747-600s and 777s, which carry up to 400 passengers, and to Airbus about purchasing A340s, which carry 255 passengers. He said he was also interested in Airbus plans to build a "stretched" version of the A340, which would carry 375 passengers.

Heathrow in 1991 after a long struggle to obtain slots. Mr Branson said he planned to begin daily flights from Gatwick to New York and Los Angeles next spring. These would be in addition to the airline's three daily flights to New York and its one flight a day to Los Angeles from Heathrow.

He said the Gatwick flight to New York could be justified on commercial grounds, as it would appeal to passengers living in the Gatwick area. But he added: "With the two flights to LA, I think we'd be better off if they were both from Heathrow. But we don't have a choice."

CD piracy becomes bigger business in China

By Neil Buckley in Brussels

The problem of compact disc piracy in China is getting worse, more than a year after a global copyright pact was signed aimed at curbing the abuses, according to figures published at the weekend by the international recording industry body.

The federation says that Chinese piracy of CDs and cassette records cost companies about \$170m in lost revenues last year. China is now estimated to account for 40 per cent of global sales of pirate CDs, with the market for such products continuing to grow rapidly in such areas as Russia, eastern Europe and South America.

The recording industry's warning comes less than a week after the US put China at the top of a list of countries failing to protect intellectual property. In its annual review of trade practices, the US warned that trade sanctions against China "could be imposed at any time".

The recording industry is particularly concerned that China has increased CD production capacity to at least 150m a year, from only 50m in 1994. The authorities, meanwhile, have failed to tackle the structures supporting piracy or to carry out a promised overhaul of enforcement agencies.

China has increased CD production capacity to at least 150m a year, from only 50m in 1994. The authorities, meanwhile, have failed to tackle the structures supporting piracy or to carry out a promised overhaul of enforcement agencies.

industry is calling for: ● Tougher laws against production of CDs that do not carry an international identification code; ● An end to restrictions on joint ventures with foreign record companies; and ● New laws allowing foreign companies to establish wholly owned production subsidiaries in China.

S Africa violence puts poll in doubt

By Mark Ashurst in Johannesburg

The South African cabinet meets today to decide whether local elections in KwaZulu-Natal will go ahead on May 29, after violence flared in Durban city centre over the weekend. Three policemen and at least 20 civilians were wounded as running gun battles erupted during a march by 6,000 hostel residents aligned to the Inkatha Freedom Party.

Zeroual to stage political talks and hold referendum on constitutional change

By Roula Kheif in London

Algeria plans to hold legislative elections early next year, President Liamine Zeroual said yesterday. In his first press conference since his landslide victory in last November's elections, the president also said a national conference of the country's political forces would take place and that Algerians would be asked to vote in a referendum on amending the constitution.

Israel-PLO talks enter final, tortuous phase

By Julian Ouzane in Tabá

Israel and the Palestine Liberation Organisation yesterday reached another landmark in the search for lasting peace between Arab and Jew with the start of negotiations towards a permanent peace settlement.

Prickly issues for US-Mexico talks

By Leslie Crawford in Mexico City

Mr Warren Christopher, the US secretary of state, and his Mexican counterpart, Mr José Angel Gurría, today begin their annual consultations with bilateral relations at a low ebb.

Call to reform Opec quotas

The Organisation of Petroleum Exporting Countries is considering a Venezuelan proposal to exclude domestic oil consumption from Opec quotas.

US crime on downward trend

The US crime rate fell for a fourth consecutive year in 1995 with murders reported to the police down 8 per cent from 23,300 in 1994, the Federal Bureau of Investigation said yesterday.

Investment in Vietnam drops

Foreign investment approvals in Vietnam in the first quarter of this year have plunged by about half compared with the same period a year ago, the semi-official weekly Vietnam Investment Review (VIR) reported yesterday.

Thais plan Philippine oil venture

Thailand's state-owned oil company is to invest \$200m in new petroleum ventures in the Philippines. The Petroleum Authority of Thailand (PTT) will spend 75 per cent of the investment on a wholly owned retail oil business which aims to have 140 petrol stations in the Philippines by the year 2001.

KDD to join cable consortium

Members of the Flag (fibre optic link around the globe) submarine cable consortium are expected to approve within weeks the addition of KDD, the Japanese international telephone operator, as a landing party. The Flag management committee reached agreement to add KDD at its meeting last month in Beijing. KDD's Niimiya landing station will become Flag's second landing point in Japan and will significantly enhance the cable system's capabilities.

Indian group to make seatbelts

US automotive-to-aerospace multinational AlliedSignal has formed a joint venture with India's JBM Group to produce seatbelts for the country's burgeoning car industry. The 50-50 venture will produce 1m seatbelts a year at a JBM metal stamping facility near New Delhi starting in September.

INTERNATIONAL NEWS DIGEST

Iraq accuses US and Britain

Iraq's deputy prime minister, Mr Tariq Aziz, said yesterday Iraq would resume its food-for-oil talks with the United Nations today but warned success depended on stopping the US and Britain interfering in the negotiations.

Call to reform Opec quotas

The Organisation of Petroleum Exporting Countries is considering a Venezuelan proposal to exclude domestic oil consumption from Opec quotas.

US crime on downward trend

The US crime rate fell for a fourth consecutive year in 1995 with murders reported to the police down 8 per cent from 23,300 in 1994, the Federal Bureau of Investigation said yesterday.

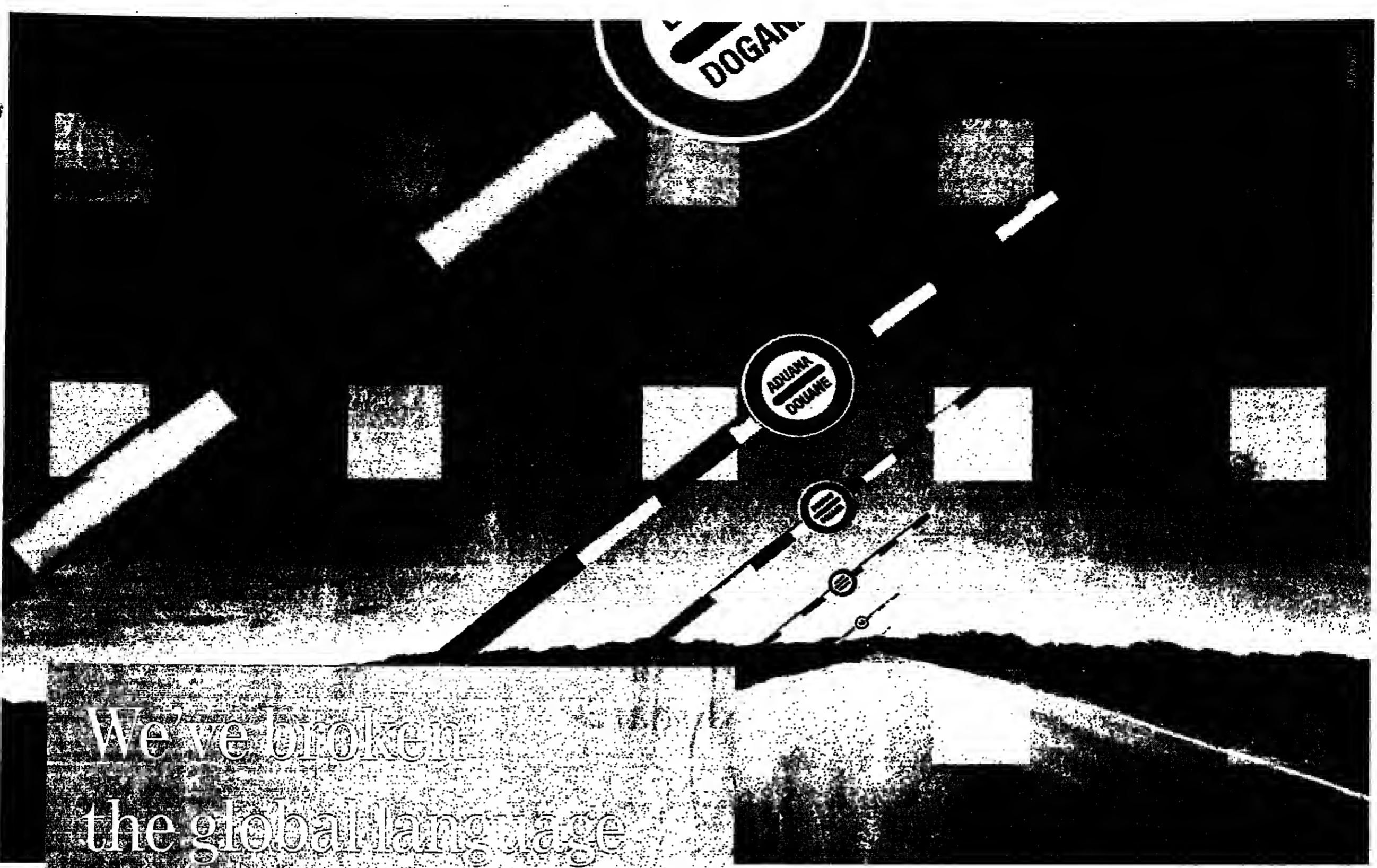
More smoking lawsuits planned

Tobacco companies are about to be named in at least 10 more lawsuits by US state governments hoping to recoup the Medicaid costs of smoking-related illnesses, a state attorney general said at the weekend.

Handwritten scribble at the bottom of the page.

July 11, 1991

MONDAY MAY 6 1991
ST
nt in drops
...in the first...
...Vietnam
...were...
...drop...
...oil venture
...consortium
...seats
...uses Britain
...quotas
...trend
...planned



We've broken
the global language
barrier.

We developed GSM with our partners in Europe – and it represents a major step in the quest for genuinely worldwide mobile communications. Promising guaranteed quality, global coverage and greater reliability of transmission, it's a considerable contribution to improved international understanding.

Developed in Europe. Designed for the world.

It has taken just five years for GSM to establish itself as the worldwide benchmark for digital mobile communications. In over 80 countries, across four continents, people depend on GSM networks – and the market is growing all the time. With our European partners, Deutsche Telekom has also opened the way for unlimited mobile communications between Europe and North America for the very first time, translating European-based GSM technology into a new global telecommunications language.

Our pioneering work does not stop there. While others make plans for the Information Superhighway, we're making it happen. We operate the most closely-woven fibre-optics network in the world – 100,000 kilometres of it. Our cable network is the largest in the world, and our ISDN network the most extensively developed. We were also the first company to use ATM: a new and much more sophisticated information transmission system.

Are we talking your language?

Deutsche Telekom is the No. 1 communications company in Europe and the second largest network operator worldwide. In the race to develop telecommunications technology, few others can keep up with us. We offer multimedia and online services, "smart" networks and a wealth of experience and know-how – all backed by strong business partnerships which span the globe.

If your company could benefit from what ours has to offer, let's talk.

Our connections move the world.



GSM is the world's first standard in digital mobile communications. It stands for Global System for Mobile Communications – and Deutsche Telekom played a big part in its development. Along with ISDN and Asynchronous Transfer Mode (ATM), it's just one of the foundation stones we are laying for the worldwide information infrastructure of the future.



 **Deutsche Telekom**

Games nerds get hooked on reality

The games people play have started to take on a new and revealing significance in Japan. Wrongly held by many to be blighted by a lack of imaginative creativity, Japan is by far the world's largest producer of, and market for, computer games.

It is one area of the software industry where it has a leading edge and, over the past year or so, that edge has gained new territory. The latest sophisticated role-playing games add a new dimension to real and imagined human relationships - in high street games arcades, on home computers and in cyberspace.

range of jobs from cabaret performer (low score) to queen. Saccharine and spice are programmed in in equal measure. Esuko Yamashita, a professor at Japan Women's University, finds Princess Maker 2 "discomfiting".

The real trial will come at the end of June, when Teo comes out on Microsoft's Windows 95 operating system. Japan has proved fertile ground for role-playing games, mainly because it has led the market to conventional computer games for many years, says Joe Osha, electronics analyst at Merrill Lynch in Tokyo.

Nearly two-thirds of Japanese homes own a dedicated games machine, according to a recent survey by Access Media International, and the top three makers of games machines sell as many in Japan as they do in the rest of the world.

The top-selling game at present is DragonQuest VI, a role-playing adventure which has sold 2.8m copies in the past four months and takes weeks to play. It is also a hit outside Japan, but lacks the psychological dimension of Teo or even Princess Maker 2. Others are not foreign hits, such as Deep Blue Fleet, a naval war game, in which

the player occupies Hawaii, frees Asia from colonial oppressors and wins a world war. Another recent game involves handling drums of lethal nerve gas inside a warehouse owned by a religious cult: a reference to last year's Tokyo subway gas attack.

But Japan's new fashion for personal role-playing may never be replicated elsewhere, says Hirokazu Hamamura, editor of Famitsu, the country's top-selling computer games magazine. "It is a question of taste and culture," he says. Hamamura should know. He is probably Japan's most expert games nerd since he plays around half of the 50 titles per month that come on to the market.

An example of the latest role-playing fashion is the Heart Throbbing Memories Forever With You game which has sold 500,000 copies since last October's launch and was among the top three games to a poll of Famitsu readers. In HTMFV, the player, a high school boy, is invited to attract the platonic love of a girl by improving himself in various ways, through learning, exercise and ultimately applying for a top job. He is given three years to win her heart, enacted in a solid 15 hours on a dedicated game machine.

HTMFV is no quick or cheap thrill, but an invitation to work at a quasi-real relationship, says Hamamura. In another - more disturbing - game, titled Princess Maker 2, the player assumes the role of father of a pretty 10-year-old girl. It takes more than five hours of play - this time on a personal computer - to bring up the girl, a wide-eyed Barbie type, to the point at which she assumes a job and goes on to get married. According to points won by her cyberparent, she can take a

meeting at the wedding of a mutual friend. There have been setbacks along the way. Peoples Phone, the mobile phone retailer in which Wray holds a significant stake, delayed its planned flotation earlier this year following the abrupt departure of its chief executive.

Even so, Wray's reputation among investors, especially small investors, is formidable. His decision to buy a stake in a company is usually followed by a sharp appreciation of the shares.

One of his latest ventures is the transformation of Black & Edgington, an obscure supplier of mar-quees, into SkyPharma, an acquisitive drugs company.

Against this background it would be a brave punter who bet against Saracens playing in the top flight again before too long - or a small boy in a funny hat being transformed into a multimedia star. For all his talents as a good-natured deal-maker, there is nothing nobby about Nigel.



Wray plans to relaunch Enid Blyton's Noddy in the US

Nothing nobby about Nigel Wray

The British entrepreneur has an uncanny record for finding ventures with potential, says Simon London

Not everything touched by British businessman Nigel Wray immediately turns to gold. Saracens, the north London rugby union club in which the millionaire entrepreneur recently invested £2m, looks likely to be relegated from the first division of the Courage League.

So Wray and Nick Leslau, Burford's chief executive, decided to turn the building into a glibly leisure attraction. A deal was struck with Sega, the Japanese electronic games company, to create Europe's first virtual reality theme park in the upper floors of the building.

It is difficult to imagine any other property investor starting with a fairly conventional asset like the Trocadero and ending up promoting a fictional children's character.

His large office on the top floor of Burford's West End headquarters has the comfortable atmosphere of a country house; it has antiques, an open fire and a cricketing memorabilia.

There is some truth in this. He first met Nick Leslau because they went to the same school, and his business relationship with Michael Green stemmed from a chance

Things are getting tense in the English Channel, writes Geoff Dyer in London. Two weeks ago, Sir Alastair Morton, co-chairman of Eurotunnel, the Anglo-French operator of the Channel tunnel, was feeling the heat as Eurotunnel announced annual losses of \$925m.

property and construction group's lamentable communications with the City. But the numbers also emphasised the fact that Lord Sterling, 61, now faces some very tough decisions.

which prevent it from discussing mergers with its cross-channel rivals. P&O insists it has no specific plans to merge with Stena, the second biggest ferry operator on the Dover-Calais route.

former construction industry chief based in the Swedish city of Gothenburg sounds an unlikely individual to be heavily involved in the cut-throat battle for survival in the English channel ferry business, reports Hugh Carnegie in Stockholm.

deepening of Stena's losses in the first quarter of this year from SKr404m last time to SKr504m.

He only joined Stena in 1992, brought in from a local construction

company as chief executive at a time when the group - the world's largest ferry operator - was struggling to recover from heavy losses.

P&O and Stena brave the choppy Channel

Pressure for environmentally friendly policies is growing but so is the opposition

the likely effects of an energy tax, levied per unit of energy on fossil fuels and electricity, that would rise by 7 per cent annually over a 10-year period.

German tax-payers and the Frankfurt Institut, a free market think tank committed to combating the many rigidities that Germany's "social market" welfare state has imposed on the nation's economy.

households and businesses. The Frankfurt Institut is concerned that ecological tax reform could damage Germany's international competitiveness when it is already under pressure, and fears that a step taken in national legislation could easily deter new foreign investment and thus cost jobs.

Whether such a simple proposal could negotiate Germany's parliamentary jungle is unclear. But the Solms idea appears to meet the first rule for ecological taxation laid down by the sceptics of the Frankfurt Institut, namely that "the introduction of any such tax must offer advantages even if the desired but sadly uncertain environmental advantages fail to materialise".

Whether such a simple proposal could negotiate Germany's parliamentary jungle is unclear. But the Solms idea appears to meet the first rule for ecological taxation laid down by the sceptics of the Frankfurt Institut, namely that "the introduction of any such tax must offer advantages even if the desired but sadly uncertain environmental advantages fail to materialise".

Table with 4 columns: 1995, 1996, 1997, 1998. Rows include various categories like 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000.

Table with 4 columns: 1995, 1996, 1997, 1998. Rows include various categories like 100, 200, 300, 400, 500, 600, 700, 800, 900, 1000.

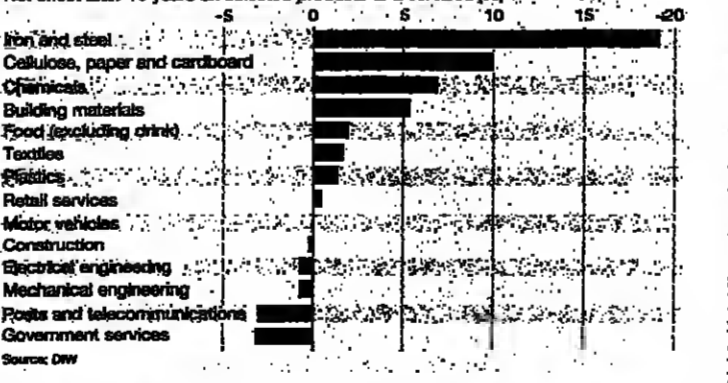


Peter Norman - Economics Notebook

Who's in aid of ecological tax reform?

Pressure for environmentally friendly policies is growing but so is the opposition

Price impact of ecological tax reform



German tax-payers and the Frankfurt Institut, a free market think tank committed to combating the many rigidities that Germany's "social market" welfare state has imposed on the nation's economy.

households and businesses. The Frankfurt Institut is concerned that ecological tax reform could damage Germany's international competitiveness when it is already under pressure, and fears that a step taken in national legislation could easily deter new foreign investment and thus cost jobs.

Whether such a simple proposal could negotiate Germany's parliamentary jungle is unclear. But the Solms idea appears to meet the first rule for ecological taxation laid down by the sceptics of the Frankfurt Institut, namely that "the introduction of any such tax must offer advantages even if the desired but sadly uncertain environmental advantages fail to materialise".

Whether such a simple proposal could negotiate Germany's parliamentary jungle is unclear. But the Solms idea appears to meet the first rule for ecological taxation laid down by the sceptics of the Frankfurt Institut, namely that "the introduction of any such tax must offer advantages even if the desired but sadly uncertain environmental advantages fail to materialise".

20

ING BANK
उपरोती अर्थ-व्यवस्थाओं और
पूजी वास्तुओं में मादिर है हम
ING BARINGS

FINANCIAL TIMES
MARKETS
THIS WEEK

ING BANK
At Home in Emerging
and Capital Markets
ING BARINGS

Global Investor / Martin Dickson

Europe takes to restructuring



Last week's deal by Suez, the French holding company, to sell control of its Banque Indosuez subsidiary underscores the scope of the restructuring wave developing across continental Europe.

in considerable measure to a widespread expectation that, after a mid-cycle destocking pause, solid economic growth will resume in the second half of this year, helped by a benign interest rate environment and recovering consumer confidence.

average returns in dollar terms on European stocks (excluding the UK) have been consistently 4 to 5 percentage points below returns in the US - despite higher annual GDP growth and higher inflation.

France, an archetypal French conglomerate with interests in an array of industries and an elaborate system of cross-shareholders with other leading companies, is at the start of restructuring. But the Banque Indosuez sale is a dramatic step by Mr Gerard Mestrallet, brought in as chairman last year in place of the ousted Mr Gerard Worms, for until recently he had been insisting the bank was a core asset.

Europe underperforms US
Total return on stocks minus return on long bonds, %
25
20
15
10
5
0
-5
1988 90 92 95

Table with 7 columns: Country, 1995, 1994, 1993, 1992, 1991, 1990. Rows include Cash, Bonds 3-5 year, Bonds 7-10 year, Equities. Source: Data & Research - Lehman Brothers.

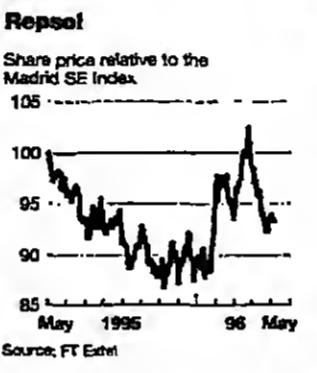
COMPANY RESULTS DUE

Falling cost ratios should help lift Winterthur

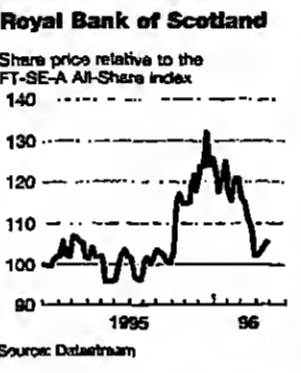
Winterthur, the Swiss insurance group, is expected on Wednesday to report a 1995 net profit of between SF415m and SF430m (\$336m-\$348m), against SF364m. Analysts expected the group to propose a 1995 dividend of between SF18 and SF19, compared with SF17.

life business should boost group earnings. The group's net profit should also benefit from a rise in financial income to SF4.5bn against SF4.18bn a year earlier. Mr Alpiger said investors should not expect any near-term benefits from Winterthur's recent bank assurance co-operation agreement with Credit Suisse.

producers to fill contracts by buying in the much more expensive spot market. At the end of March, the company said AMHS, the US purchasing group, was terminating its favoured supplier agreement. Last month, news that a US patent extension had been denied to a competing product was taken as a further sign that price competition would be stepped up as more generic products come on the market.



ny's shareholding in the French insurer. The deal could open the way either to a straight sale of the Generali stake or the pursuit of new joint development opportunities.



£360m), against Pta32.8bn a year earlier. A sharp fall in operating profits, largely on a decline in earnings at the petrochemicals division, will be the main factor affecting results.

of the chemical sector will be... worse in the first quarter of 1996 compared with a year earlier, when this part of the company's business was particularly buoyant. The chemical sector only really began to suffer a setback in the second half of last year," he said. He expected a fall of about 60 per cent in petrochemical division earnings in the first quarter.

continent is again behind the trend in the US and UK. But the pace is picking up. Mr Langlade-Demoyen estimates that spin-offs totalled \$10.7bn in Europe last year, up from \$4.3bn in 1994, and the total has already reached \$5.5bn this year.

alone, the list includes Navigation Mixte, Eurairance, Nord Est, Generale des Eaux, Lyonnais des Eaux, St Louis and Alcatel Alsthom. Identifying the companies most likely to act may not be easy, but expectations of financial corporate restructuring, coupled with hopes of an improving economy, could help European bourses weather the storm of any big US correction over the coming months.

For Your Strategic Investment
Exclusive Forecasting Service

3 month Forecasts for USBOND30Y Yield
3 month Forecasts for J.P. MORGAN Co.
Forecast Made on 1 Nov 1995
Forecast Made on 1 Dec 1995
Forecast Made on 1 Jan 1996

FANE-GMF offers special 3-months market forecasts
More than 16,000 world-wide weekly computed items
Average success of 78.7% in the long term
Maximum monthly subscription fee \$ 650
Weekly updated by fax through weekends

INTERNATIONAL EQUITIES By Antonia Sharpe

Attractions of insurance offerings

The forthcoming selection of offerings from insurance companies will probably not get investors' pulses racing in quite the same way as some of the sexier IPOs in the international equity markets in recent months - Gucci, Orange and Harvey Nichols for instance.

providers and distributors of insurance and mutual fund products, is the first of a pipeline of insurance companies to come to market. From a stock market point of view, Mediolanum's timing could not be better.

ment's sale of its 56.9 per cent stake in Assurances Generales de France, which is worth about FF10.8bn (\$2bn) at current market prices. Pre-marketling is due to start today and the public offer will open on May 21.

and 25 per cent of its equity to international investors, which could raise about DKR1.5bn (\$250m). The proceeds will be used to pay down debt taken on last year when Tryg acquired most of the non-life assets in Baltica.

FT/SE ACTUARIES WORLD INDICES

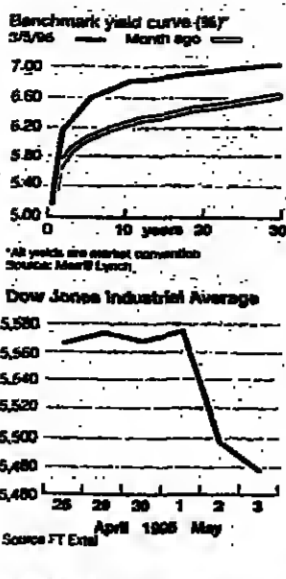
Table with columns: Country, Index, %chg, Pound Sterling, Yen Index, DM Index, Local Currency, Gross Dividend Yield, US Dollar Index, POUND INDEX, DOLLAR INDEX, Year ago. Includes countries like Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Malaysia, Mexico, Netherlands, New Zealand, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, UK, USA, Venezuela, Zimbabwe.

السيرة الذاتية

MARKETS: This Week

NEW YORK By Lisa Branstetter

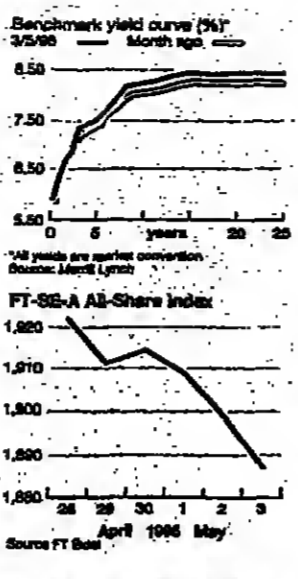
Last week's figures on employment levels in April were supposed to resolve the uncertainty over the prospects for the US economy...



One place they may turn to for guidance is the Federal Reserve's Beige Book, a summation of central bank views about the strength of the economy...

LONDON By Philip Goggin

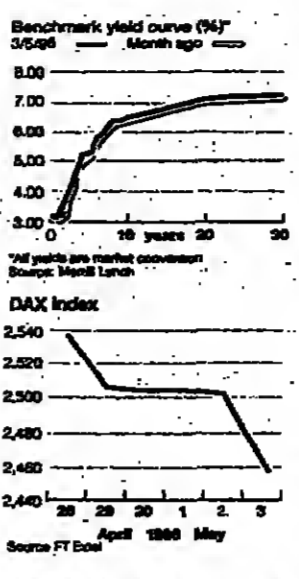
The UK equity market will probably remain flat, but provided by today's public holiday so it can digest the welter of corporate news that emerged last week...



Another adverse factor was the further signs of the strength of the US economy, prompting fears that the Federal Reserve might raise interest rates...

FRANKFURT By Wolfgang Münchau

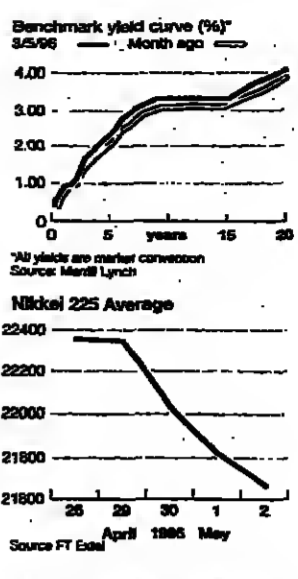
There are not many optimists left in Frankfurt. After a good start to the year, the DAX had a bad week and there are analysts who think that the index has peaked for the cycle...



Having missed the Bundesbank consistently for the last six months, German analysts continue to err on the side of higher interest rates, ignoring signals from the Bundesbank that even now, with the discount rate at 2.5 per cent...

TOKYO By Emiko Terazono

With the benchmark Nikkei 225 index falling 2.6 per cent on the week, investors may find room for bargain hunting when they come back from their holidays on Tuesday...



Investors have been leading buyers of Japanese shares since the start of the year and such moves could create volatility in the market. Market participants are likely to focus on companies expected to release strong earnings results this month...

COMMODITIES By Richard Mooney

Gold market looks for guidance

Gold Fields Mineral Services suggested in an interim gold market report at the start of January that the prospects for a substantial run-up in the gold price depended largely on speculators...

OTHER MARKETS Compiled by Michael Morgan

PARIS

Until the end of last week, when the CAC-40 index suffered following the release of US data, there had been a satisfying upward trend to the market's performance...

STOCKHOLM

The first quarter reporting season remains in full swing, with results still awaited from a number of the large blue chips. Analysts have noted that first-quarter results to date for the cyclical have been predictably poor...

HONG KONG

Investors will focus on the US as the week begins, looking at the US jobs data - released after the Hong Kong market closed on Friday night - and monitoring Wall Street's response...

CURRENCIES By Graham Dowling

Dollar/yen exchange rate stays focus of attention

Japanese investors return to the fray this week as the Golden Week holiday draws to a close. Traders on the foreign exchanges will be keen to see whether the holiday has refreshed Japanese enthusiasm for investing overseas...

The dollar slid after bonds and equities were hit by a much stronger than expected GDP number but then regained some composure when Friday's payroll number showed a rise of only 2,000 jobs last month...

In the Swedish market so far this year and the number of new issues planned are sapping the market. It expects a flat index between now and the end of the second quarter, but adheres to its best guess that firming economic indicators will have more influence than rising bond yields in the second half...

prices lower. Brokers reckon the benchmark Hang Seng index, which closed on Friday at 10,734.24, could well test 10,500, led downwards by rate-sensitive property stocks. Jardine Fleming Securities, which remains overweight in Hong Kong, expects some consolidation in the second quarter and says the near-term upside for the market will be limited.

FT GUIDE TO WORLD CURRENCIES

Table with columns for Country, Currency, and Exchange Rate. Includes entries for Africa, Asia, Europe, Middle East, and Oceania.

TO SAVE THE RAINFOREST WE PROVIDE TREES TO CHOP DOWN. DANONE logo and text.

TO SAVE THE RAINFOREST WE PROVIDE TREES TO CHOP DOWN. DANONE logo and text.

Special Drawing Rights May 2, 1996. The table below gives the latest available rates of exchange (rounded) against four key currencies on Friday, May 3, 1996...

MARKETS: This Week

EMERGING MARKETS By Tony Walker

Silver lining for China's B-shares

Spare a thought for brokers in China whose task it is to forecast the performance of Chinese enterprises in an opaque economy moving from rigid central control to a market-based system.

In their estimates of 1995 earnings for B-share companies listed on the Shanghai Stock Exchange, brokers' forecasts were, in some cases, out by hundreds of percentage points as enterprises slid deep into the red.

ING BARING SECURITIES EMERGING MARKETS INDICES table with columns for Index, 3/5/96, Week on week movement, Month on month movement, Year to date movement.

Mr Richard Graham, chief representative in Shanghai of ING Barings, said the B-share index, hovering around 50 points, may be ready for a 'bit of a run up to 60 on the back of an improving macroeconomic picture, rather than a lift in corporate earnings'.

B-shares, denominated in US dollars in Shanghai and Hong Kong dollars in Shenzhen - China's two fledgling stock exchanges - reached 106.78 in the Shanghai market on December 31 1995. The shares are technically restricted to foreign investors, but it is estimated about 35 per cent are held by local Chinese.

John Crossman of Jardine Fleming expects corporate earnings to be weak for at least the first half of this year, but an improvement in the second half in preparation for a 'nice year next year'.

He noted that China will be holding its 15th Communist Party Congress in late 1997, and the authorities would be striving for a positive economic outlook after the 'recession' of the past three years. Beijing instituted a credit

INTERNATIONAL BONDS By Conner Middelmann

Tumbling rand triggers fall in S African bonds

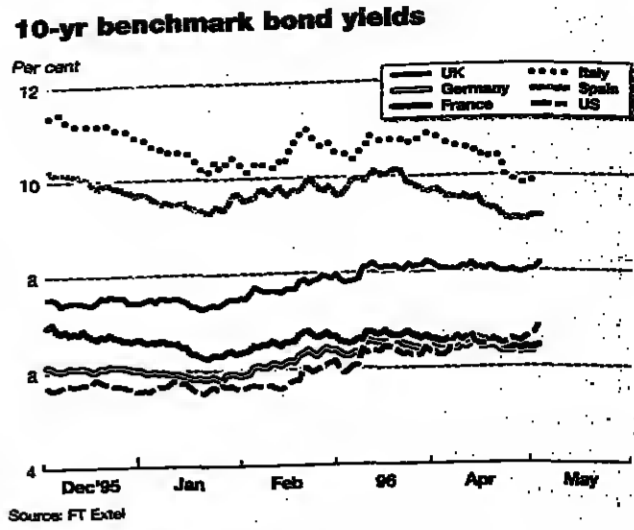
The recent tumble in South Africa's currency has reminded international investors why rand-denominated bonds yield as much as they do.

"Whenever you buy a high-yielding bond, the return should be a fairly clear warning that there are risks attached," said one London banker. "In South Africa, investors receive a hefty yield premium in return for accepting political, economic and currency risk."

The South African bond and currency markets are closely linked because the participation of foreign investors in our bond market is inordinately high," explained Mr Nico Czapponka, chief economist at Standard Bank.

Mr Yang Xianghai, president of the Shanghai exchange, outlined steps recently which he said were aimed at encouraging greater activity. He pledged to speed up listing of B-share stocks - at present there are just 22 listed B-share companies on the Shanghai exchange - and also offer foreign companies secondary listings.

Companies issuing A-shares would have "new trading products" such as convertible bonds and warrants. Convertible bonds are likely to prove popular on Chinese markets. Mr Yang also pledged lower broking charges.



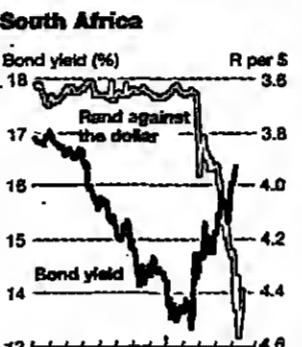
INTEREST RATES AT A GLANCE table with columns for USA, Japan, Germany, France, Italy, UK and rows for Discount, Overnight, Three month, One year, Five year, Ten year.

While the government has said it does not plan to remove controls in one fell swoop, fears remain that a swift removal of controls might release a wave of pent-up cash, weakening the rand further.

Nevertheless, there are those who feel the self-off has been overdone. "The current exchange rate in no way reflects fundamentals," says Mr Czapponka, "although that probably cuts no ice in a volatile market."

Indeed, although recent interest rate hikes in support of the currency may put a lid on growth, the economy is still expected to expand by at least 3.5 per cent this year.

Insider's Bondwatch, a euro-market analytical service, a D-Mark based investor who had bought euro-denominated bonds at launch would currently have lost between 2.5 per cent and 14 per cent on that position.



Mr Graham of ING Barings said the sharp appreciation recently on the Hong Kong market of H-shares, or the stock of mainland companies, augured well for B-shares. "We have all seen a few false dawns," he said. "But I feel we may be finally putting the bad news behind us."

The yield on the benchmark 12 per cent government bond, due 2005, shot up to 16.25 per cent on Friday, from 13.55 per cent in February.

NEW INTERNATIONAL BOND ISSUES table with columns for Issuer, Amount, Maturity, Coupon, Price, Yield, Launch spread, Book-runner, Bearer, Amount, Maturity, Coupon, Price, Yield, Launch spread, Book-runner.

ABN-AMRO Holding N.V. established in Amsterdam. FINAL DIVIDEND 1995. The Annual General Meeting of Shareholders held on 3 May 1996 declared a dividend of NLG 3.60 per ordinary share of NLG 5 each for the 1995 financial year.

SBA SOCIETE GENERALE ACCEPTANCE N.V. FRF 1,000,000,000 REVERSE FLOATING RATE NOTES DUE FEBRUARY 2, 2004. For the period May 02, 1996 to August 02, 1996 the new rate has been fixed at 8.948875 % P.A.

CONTRACTS & TENDERS. Invitation for Tender. The Administration of Galati Free Zone - Regie Autonome. Bidders, according to the provisions of Law 84/1992 and Romanian Government Decision 682/1994, an invitation for public tender for the concession of land for production, commercial, banking, services and storage activities.

FT CITYLINE. Sector reports by Fax. Banks and Insurances. 0891 437 151. The latest share price reports by dialling the above number from the handset or keypad on your fax machine.

SEND US YOUR OWN PAPERCLIP. And while you are at it, please attach your cheque to fund more Macmillan Nurses in the fight against cancer. (Did you know over one million people are living with it?)

MARGINED CURRENCY DEALING. CALL TOLL-FREE. Flexible managed accounts. Limited liability guaranteed. Lowest margin deposits (2% - 5%).

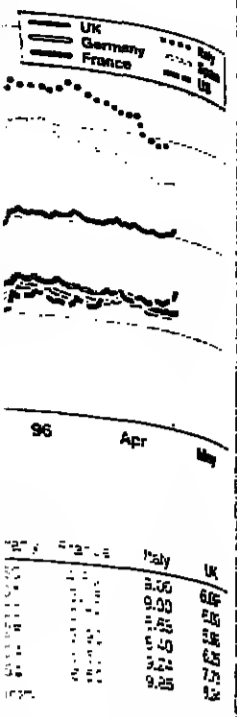
SIGMA SECURITIES S.A. - MEMBER OF THE ATHENS STOCK EXCHANGE. ATHENS STOCK EXCHANGE April 26th - May 3rd 1996. GREECE. ASE INDEX 813.13, P/E (after tax 96/95) 10.5/12.8, EPS GROWTH (%) 96 8.70, PER 96/95 11.77, P/BV 96/95 2.2/2.7, Div. Yield (%) 96/95 8.0/7.6.

Handwritten signature and stamp at the bottom of the page.

11/10/50

MONDAY MAY 6 1996

ields

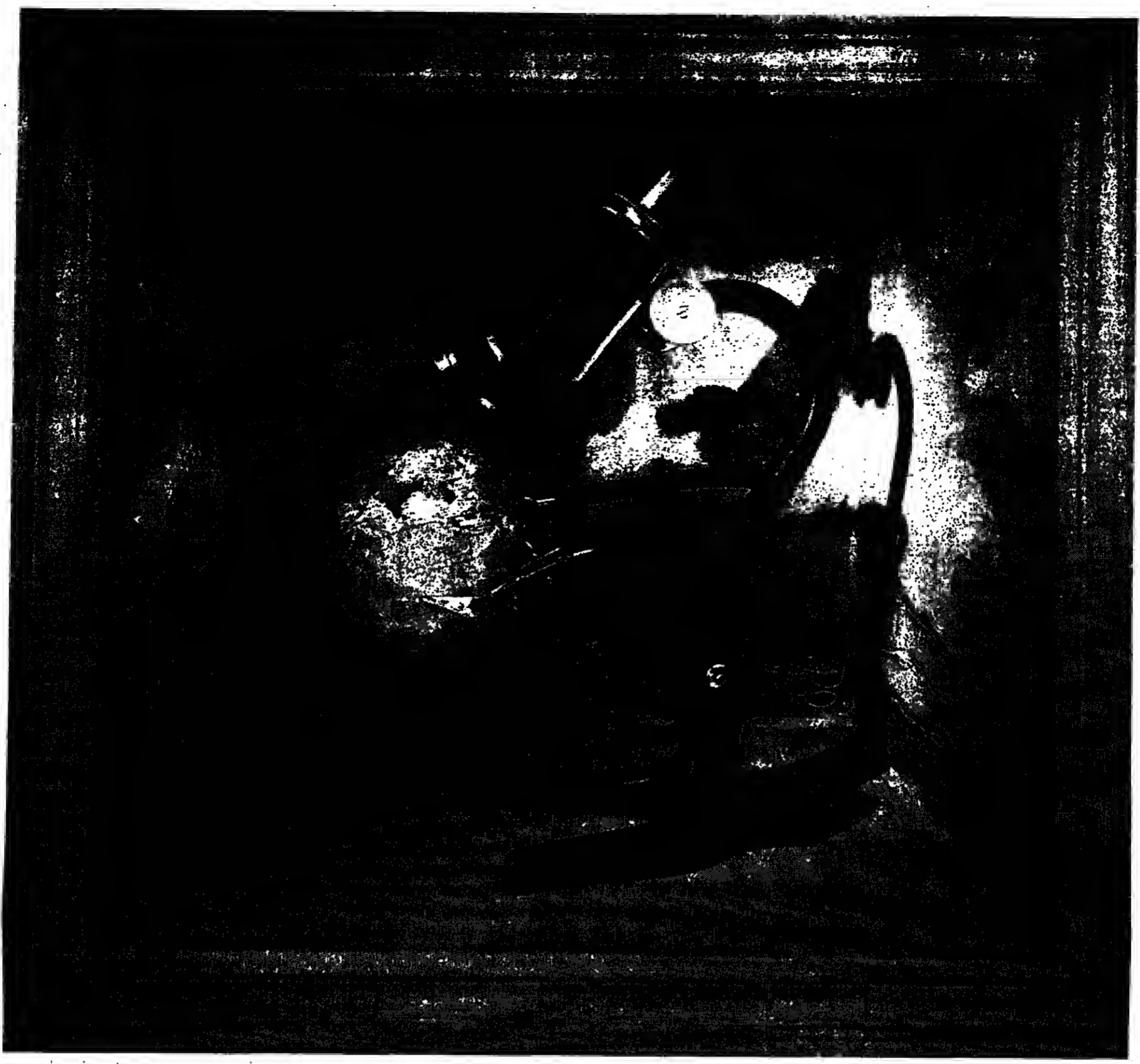


...the government... deficit of 1.1... still... on the... rate...

...some market... expanding... as an... rate... year... central... of the... see... London... price... and... the...

US YOUR PAPERCLIP

LONDON SWI 00



http://www.ft.com

Our in-depth information helps you look closer at the financial world.

Whatever information you need from the world of international finance, Financial Times Information can deliver - with instant coverage of equities, derivatives and commodities from over 150 markets from first world economies round to the most remote emerging markets. Not to mention a staggering 2.5 million bond valuations, almost everything from company results to economic forecasts, bids to statistics and flotations to liquidations. And of course, with the backing of FT Information's global resources, you can be sure the information you receive is reliable. If it's your

business to know what's happening in the financial world and why, then you can't afford to trust anything less. For details of FT Information's market leading range of services, call Fiona Clarke on +44 171 825 8791 or email: info@ft.com.



FINANCIAL TIMES
Information

FT EXTEL FT PROFILE INTERACTIVE DATA
LONDON • NEW YORK • BOSTON • CHICAGO • LOS ANGELES • SINGAPORE • HONG KONG • TOKYO • BANGKOK • MELBOURNE • EDINBURGH • STOCKHOLM • BRUSSELS • PARIS • FRANKFURT • LUXEMBOURG

© J. Edgar Albert Frank

WORLD STOCK MARKETS

Table of world stock markets including Europe, Asia, and other regions. Columns include country, stock name, price, and change.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Automatic Call Distributor (ACD) technology, which handles high volume in-coming calls, was pioneered by Rockwell. Includes Rockwell logo.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Table of stock market indices for various countries and regions, including Europe, Asia, and Africa.

Handwritten signature or mark at the bottom of the page.

Handwritten note: 27/11/95

CURRENCIES AND MONEY

POUND SPOT FORWARD AGAINST THE POUND. Table with columns for Country, Currency, Bid/offer, Day's bid/offer, One month, Three months, One year, Bank of England.

DOLLAR SPOT FORWARD AGAINST THE DOLLAR. Table with columns for Country, Currency, Bid/offer, Day's bid/offer, One month, Three months, One year, J.P. Morgan.

WORLD INTEREST RATES

MONEY RATES. Table with columns for Country, Term, Rate, and various interest rate indicators.

CROSS RATES AND DERIVATIVES

EXCHANGE CROSS RATES. Table with columns for Country, Bid/offer, Day's bid/offer, One month, Three months, One year.

FT GOLD MINES INDEX

Table showing gold mine production and prices for various countries including Australia, Canada, and South Africa.

EURO CURRENCY INTEREST RATES

Table with columns for Country, Term, Rate, and Euro currency interest rate indicators.

D-MARK FUTURES (DM) DM 125,000 per DM

Table with columns for Month, Open, Settle, Change, High, Low, Est. vol, Open int.

SWISS FRANC FUTURES (SFR) SFR 125,000 per SFR

Table with columns for Month, Open, Settle, Change, High, Low, Est. vol, Open int.

JAPANESE YEN FUTURES (MM) Yen 12.5 per Yen 100

Table with columns for Month, Open, Settle, Change, High, Low, Est. vol, Open int.

STERLING FUTURES (GBP) GBP 500,000 per £

Table with columns for Month, Open, Settle, Change, High, Low, Est. vol, Open int.

PHILADELPHIA SE 2/8 OPTIOMS \$1,250 (cents per point)

Table with columns for Strike, Calls, Puts, and various option price indicators.

BANK RETURN

Table showing banking department performance with columns for Assets, Liabilities, and Other Securities.

UK GILTS PRICES

Table with columns for Maturity, Bid, Offer, and various gilt price indicators.

STOCK INDICES

Table with columns for Index Name, May 3, May 2, May 1, Apr 29, Apr 27, Apr 26, High, Low, Change.

FT GUIDE TO WORLD CURRENCIES

The FT Guide to World Currencies table can be found on the Markets page in today's edition.

UK INTEREST RATES

Table with columns for Term, Rate, and various UK interest rate indicators.

LONDON MONEY RATES

Table with columns for Term, Rate, and various London money rate indicators.

BANK OF ENGLAND TREASURY BILL TENDER

Table with columns for Maturity, Bid, Offer, and various Treasury bill tender indicators.

BASE LENDING RATES

Table with columns for Institution, Rate, and various base lending rate indicators.

Other Fixed Interest

Table with columns for Maturity, Bid, Offer, and various fixed interest indicators.

THREE MONTH EURO-DOLLAR (3M) \$1m points of 100%

Table with columns for Location, Bid, Offer, and various Euro-dollar rate indicators.

US TREASURY BILL FUTURES (3M) \$1m per 100%

Table with columns for Month, Bid, Offer, and various Treasury bill futures indicators.

RIGHTS OFFERS

Table with columns for Issue, Amount, Limit, and various rights offer indicators.

TELECOM ITALIA MOBILE S.p.A.

TELECOM ITALIA MOBILE S.p.A. Ordinary and Extraordinary Shareholders' Meeting.

ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

On 30 April 1996 the Annual General Meeting of Shareholders was held in Turin, with Avv. Vittorio Di Stefano presiding.

The Ordinary Meeting:

- approved the report of the Board of Directors and the company balance as of 31st December 1995, certified by Arthur Andersen S.p.A.;
decided the following distribution of profits;
approved the acquisition and subsequent sale to dealers of a maximum of 30,000,000 of the Company's shares...

The Extraordinary Meeting:

- authorised the reduction of the revaluation reserves concerning laws 72/1983 and 413/1991 equal to Lit. 2,825,000,000 for the payment of the property tax relative to 1995 and following years;
decided the establishment of a secondary office in Rome in Via Luigi Rizzo, 22 and the integration of the company name into the abbreviated form 'T.I.M. S.p.A.' or 'TIM S.p.A.'.

PAYMENT OF DIVIDEND

The 1995 dividend, in the amounts of Lit. 11 for each saving share and Lit. 10 for each ordinary share, before deductions, will be paid from 20th May 1996 at the registered office of the Company in Turin, Via Bertola 34, at the authorised banks listed in the Notice of Shareholders' Meeting, published on 28th March 1996, as well as through Monte Titoli S.p.A. for the shares it administers.

MEETING OF HOLDERS OF SAVINGS SHARES

On 24th April 1996 the third call of the Special Meeting was held in Turin, and appointed Prof. Carlo Pastaris as ordinary representative of holders of TELECOM ITALIA MOBILE S.p.A.'s savings shares for a period of three years.

This notice is published in accordance with Consob decree no. 5553 of 14th November 1991.



FAST 64 KBIT SATELLITE TECHNOLOGY

FOR COMPLETE REAL-TIME DATA OF THE US AND EUROPEAN EXCHANGES. FOREX, FUTURES, OPTIONS, EQUITIES, NEWS.

ABTRUST ATLAS FUND

Registered Office: A. Reuter/Royal, L-2449 Luxembourg. R.C. Luxembourg 8 27.229

DIVIDEND NOTICE

- By resolution of directors on 26 April 1996 it was agreed to pay dividends of:
USS 0.0145 per share on the Dollar Portfolio;
GBP 0.0118 per share on the Sterling Portfolio;
USS 0.0113 per share on the Pacific Portfolio;

The FT GUIDE TO WORLD CURRENCIES, published in Moody's newspaper and covering over 200 countries, is now available by e-mail to the following member of the Internet or by fax to the following member of the Internet or by fax to the following member of the Internet...

If you would like to advertise, or require any further information, please contact: Jeremy Nelson, Tel: 0171 373 3447 Fax: 0171 373 3062

Handwritten note: 10/1/150

DAY MAY 6 1996

FT MANAGED FUNDS SERVICE

FT Cityline Unit Trust Prices: dial 0691 430010 and key in a 5 digit code listed below. Calls are charged at 39p/minute cheap rate and 49p/minute at all other times. International access available by subscription only. For more details call the FT Cityline Help Desk on (+44 171) 873 4376.

Main table listing various managed funds with columns for fund name, price, and other details. Includes sections for 'OTHER OFFSHORE FUNDS' and 'OFFSHORE INSURANCES'.

Vertical text on the left margin, including 'US YOUR APERCLIP' and 'LONDON SW1 8PS'.



Text describing market movements and government actions related to the graph.

Text providing additional market analysis and commentary.

Text at the bottom left margin, possibly related to the 'US YOUR APERCLIP' advertisement.

MANAGED FUNDS NOTES: Detailed disclaimer and information regarding the fund service, including contact details and legal notices.

Handwritten note: 27/11/150

INV TRUSTS SPLIT CAPITAL - Cont.

Table listing investment trusts with columns for Name, Price, and % Change.

LEISURE & HOTELS - Cont.

Table listing leisure and hotel companies with columns for Name, Price, and % Change.

OTHER FINANCIAL - Cont.

Table listing other financial companies with columns for Name, Price, and % Change.

PROPERTY - Cont.

Table listing property companies with columns for Name, Price, and % Change.

SUPPORT SERVICES - Cont.

Table listing support services companies with columns for Name, Price, and % Change.

AIM - Cont.

Table listing companies on the Alternative Investment Market (AIM) with columns for Name, Price, and % Change.

OTHER INVESTMENT TRUSTS

Table listing other investment trusts with columns for Name, Price, and % Change.

INVESTMENT COMPANIES

Table listing investment companies with columns for Name, Price, and % Change.

OIL EXPLORATION & PRODUCTION

Table listing oil exploration and production companies with columns for Name, Price, and % Change.

OIL, INTEGRATED

Table listing integrated oil companies with columns for Name, Price, and % Change.

PHARMACEUTICALS - Cont.

Table listing pharmaceutical companies with columns for Name, Price, and % Change.

RETAILERS, GENERAL - Cont.

Table listing general retailers with columns for Name, Price, and % Change.

TOBACCO

Table listing tobacco companies with columns for Name, Price, and % Change.

TRANSPORT

Table listing transport companies with columns for Name, Price, and % Change.

WATER

Table listing water companies with columns for Name, Price, and % Change.

AIM

Table listing companies on the AIM with columns for Name, Price, and % Change.

Templeton investment advertisement: 'Seeking out under-valued investments across the globe... HOW TO INVEST THE TEMPLETON WAY. AS EXPLAINED BY THE UGLY DUCKLING'.

TELECOMMUNICATIONS

Table listing telecommunications companies with columns for Name, Price, and % Change.

TEXTILES & APPAREL

Table listing textiles and apparel companies with columns for Name, Price, and % Change.

RETAILERS, FOOD

Table listing food retailers with columns for Name, Price, and % Change.

RETAILERS, GENERAL

Table listing general retailers with columns for Name, Price, and % Change.

PHARMACEUTICALS

Table listing pharmaceutical companies with columns for Name, Price, and % Change.

PAPER, PACKAGING & PRINTING

Table listing paper, packaging, and printing companies with columns for Name, Price, and % Change.

LIFE ASSURANCE

Table listing life assurance companies with columns for Name, Price, and % Change.

MEDIA

Table listing media companies with columns for Name, Price, and % Change.

AMERICANS

Table listing American companies with columns for Name, Price, and % Change.

CANADIANS

Table listing Canadian companies with columns for Name, Price, and % Change.

SOUTH AFRICANS

Table listing South African companies with columns for Name, Price, and % Change.

AMERICANS

Table listing American companies with columns for Name, Price, and % Change.

CANADIANS

Table listing Canadian companies with columns for Name, Price, and % Change.

SOUTH AFRICANS

Table listing South African companies with columns for Name, Price, and % Change.

GUIDE TO LONDON SHARE SERVICE

Guide to London Share Service: Information on how to use the service, including details on share prices, dividends, and company information.

FT Share Service

FT Share Service: Details on the FT Share Service, including how to access share prices and company information.

Bank of America advertisement: 'MAY 6 1996 BANK of America Markets ARINGS'.

ferings advertisement: 'ferings'.

1 p.m. close May 3

NEW YORK STOCK EXCHANGE PRICES

Main table of stock prices with columns for stock symbols, prices, and changes. Includes sections for Market Dynamics and various stock categories.

Market Dynamics
If the business decisions are yours, the computer system should be ours.
http://www.hp.com/computing
HEWLETT PACKARD

Continued on next page

Handwritten scribble at the top center of the page.

4 pm close May 3

NYSE PRICES

Main NYSE stock price table with columns for stock name, price, change, and volume. Includes sub-sections for 'Continued from previous page', 'A-Z', and 'X-Y-Z'.

NASDAQ NATIONAL MARKET

4 pm close May 3

NASDAQ stock price table with columns for stock name, price, change, and volume. Includes sub-sections for 'Continued from previous page', 'A-Z', and 'X-Y-Z'.

AMEX PRICES

4 pm close May 3

AMEX stock price table with columns for stock name, price, change, and volume. Includes sub-sections for 'Continued from previous page', 'A-Z', and 'X-Y-Z'.

Cyprus advertisement with logo and text: 'Have your FT hand delivered in Cyprus. Gain the edge over your competitors by having the Financial Times delivered to your home or office every working day. Hand delivery services are available for all subscribers throughout Cyprus subject to confirmation by the Distributor. Please call MK Media Link Services on (02) 36 74 50 for more information. Financial Times. World Business Newspaper.'

Continuation of NYSE and NASDAQ stock price tables, including sub-sections for 'Continued from previous page', 'A-Z', and 'X-Y-Z'.

Vertical text on the left margin, including 'omy', 'rm', 'ays', 'ged', 'IGEST', 'fall in', 'acom', 'life', 'Fokker', 'one group'.

150/150

BUSINESS EDUCATION

Britain's professionals are chasing higher qualifications, says Della Bradshaw

Rush to join the club

Clowning around

Clowning a policeman's hat... not seem like the best way to learn how to manage change within your organisation.

Gone are the days when a degree from a UK university was enough to guarantee a good job for life.



believes, provides a stronger impetus. The age old reason of "earning more money" is still a powerful motivation.

NEWS FROM CAMPUS

A roaring course planned in Africa If a safari park holds more appeal for you than a university lecture room...

DB

International Seminar on the Management of Innovation, Research & Development. "R&D Management and Innovative Performance"

Our experience. Our expertise. Your edge. Enroll in any of our short-term Executive Education Programs at the Arthur D. Little School of Management.

IESE UNIVERSITY OF NAVARRA International Graduate School of Management. Why stay local if your needs are global? IESE has joined forces with other leading international universities to bring you the world's best in senior executive education.

CONFERENCES & EXHIBITIONS. MAY 14 International Tax Conference - Minimising Your Global Tax Burden. MAY 15 Russia - The Prospect for Reform.

TO ADVERTISE IN THIS SECTION PLEASE CALL LUCY BATZOVSKY ON 0171-873 3507

SPORT / ARCHITECTURE

Mental training for the modern athlete

There is an upsurge in sales of books on sports psychology - and no wonder, says Keith Wheatley

Since the psyches of several prominent sportsmen have been severely bruised in recent times, it has been intriguing to notice a sudden clutch of books devoted to sports psychology.

Greg Norman's abrupt descent from hero to zero at last month's US Masters golf tournament, and the sensitivity of Kevin Keegan, Newcastle United's manager, to mind-games in the final stages of England's Premier League football race, must have given pause to all who tend to be sceptical when contemplating the psychological side of modern professional sport.

Interestingly, SportsPages, the London bookshop devoted entirely to sporting volumes, reports an upsurge in mind-over-matter titles.

"There is considerable growth in this sector, and what has changed most of all is that British publishers are getting into it," reports owner John Gaustad. "Most of what we used to stock in this area tended to be imported from the US or, to a lesser extent, Australia."

Growing up in Queensland, the young Greg Norman perhaps never thought to look for golf guidance in a psychology book. Yet his defeat at Augusta, when he let Britain's Nick Faldo overhaul his seemingly impregnable six-shot lead to win the tournament, was entirely due to a mental collapse - or so it is believed.

The 63 (equalling the course record) shot by the Great White Shark on the first day was entirely consistent with Norman's status as world No 1. Whatever went wrong in the intervening 48 hours happened between Norman's ears, not his shoulders. "Golf is uniquely difficult in psychologi-

cal terms, and does lend itself to these kinds of dramas," says Dr Stephen Bull, author of *The Mental Game Plan: Getting Psyched for Sport*. "There is so much time to think in a round of golf and, because of that, endless opportunity for self-doubt and anxiety to creep in. I knew as soon as I watched Norman miss the fairway off the first tee (on his final round) that he would begin replaying in his mind the previous four occasions when he'd been in a position to win the Masters and blow it."

In fact, one of Bull's graduate students in the sports science department at Brighton university is undertaking a detailed comparison of video tapes of Norman's first and final rounds at Augusta, specifically timing what coaches term the "pre-shot routines" in each case.

Either rushing or prolonging the pre-shot sequence indicates profound stress in an experienced player. At the 13th tee on the final round, Norman's indecision seemed unbearable. "He's changed his routine by six or seven seconds," commented David Leadbetter, Faldo's coach, on television. "He's gripping the club and re-gripping it. He can't get comfortable."

One of Bull's favourite pieces of research in sports psychology was carried out at a Canadian university in the mid-1980s. It involved 20 free shots per person at a basketball hoop by two groups of students, chosen for being of equal physical prowess. Skilled basketball players were excluded.

"The first group were just told to get on court and throw, and their results recorded," says Bull, a former chief psychologist to the British winter Olympics squad. "The second group were taken

aside and given a short talk on the phenomenon of choking, the phrase we use when a sportsman cannot perform his normal skills because of stress.

"It was a much less familiar term at that time, and the students were riveted by the presentation. Before they went back to the basketball court they were specifically warned not to worry about choking. Their scores were markedly lower than those of the unprepared first group."

Bull's new book is nothing if not a practical guide: a handbook for mental fitness on pitch or court full of chapter headings like *Visualisation: The Imagery Plan*, and *Anxiety Control: The Arousal Management Plan*. Bull also admits there is nothing very new in all this, revealing that one of the most ancient Japanese books was a Samurai training manual, half of which was devoted to the mental preparation of those athlete-warriors.

The upper echelons of British professional football certainly take their game as seriously as any battle. They see it as "the very image of war and double the cost", to paraphrase Mr Dorrick, the fictional Victorian huntsman.

Might Kevin Keegan, Newcastle United's manager, have benefited from a sports psychology textbook as he erupted in anger last week against the plots and perfidies of Manchester United and their manager, the vastly experienced Alex Ferguson, who knows, more than anyone else in the English game, how to jangle rivals' nerves?

"As an outsider, I've no means of knowing whether Keegan's outburst was a genuine loss of control or pre-meditated," says Bull. "It could have been aimed at his



Mind-games: sceptics of sport psychology might think again after recent exchanges between Alex Ferguson (left) and Kevin Keegan

players in the manner of the pre-Agincourt speech, or Imran Khan's famous tiger delivery to the Pakistan cricket team. What is clear is that Alex Ferguson is a very skilled psychological operator. His handling of a personality like Eric Cantona (Manchester United's famed Frenchman) is an object lesson in the subject, even for professionals.

I found Bull's book convincing but vaguely depressing - especially his urging that student sportsmen as young as 13 should be taught visualisation and "competition-specific self-affirmation" along with leg spin or the torpedo pass.

Then I picked up *The Winning Mind* by Steve Backley, a naturally gifted British javelin thrower, who won gold medals and the world record as a teenager between 1987 and 1990, largely on natural talent. Then his world fell apart in a melange of poor performance, injury and demotivation.

"The Steve Backley of 1990, the young man who was going to sweep up every gold medal going, seemed a distant memory," he wrote after a dismal performance in the Stuttgart world championships in 1993. "I told myself that because my preparations had been so poor and my mental

state had been appalling, I had been unprofessional. I was on a roller coaster of emotion, running myself down physically, partly as a result of my mental state."

Three years on, Backley is rehabilitated as an athlete, a likely medal winner in Atlanta. There were no gurus, just the steady application of the techniques he acquired while taking a sports psychology degree at Loughborough university. Makes you think what he might have done with a spot of adolescent visualisation.

The Mental Game Plan, Sports Dynamics, £10.95. *The Winning Mind*, Aurum Press, £13.95.

Is nothing safe? For 30 years the World Monuments Fund has been keeping an eye on sites and monuments around the globe and helping with their preservation. But all is not well. The world's buildings need constant attention, and many more of them are in danger than perhaps we like to think. With \$5m worth of help from American Express, a World Monument Watch has been established to help fund the conservation of an annual list of the "100 most endangered sites" on the planet. It makes extraordinary reading. Who would have thought that the Taj Mahal in India or

Monumental moves to save our heritage

A fund has been established for the conservation of the world's most endangered buildings, writes Colin Amery

Hagia Sophia in Turkey were in sufficient peril from pollution to be on the list of the world's most endangered buildings?

The object of compiling the list and exposing it to the world is to spur action and to attract more money. More than 250 sites and buildings in 69 countries were considered by an international jury. If all 100 monuments listed in the first batch were to be restored

perfectly, at least \$200bn would be needed.

What are the major threats to the buildings? Conflict and wars are the most regular and constant threats. The Balkan states, Vietnam, Lebanon, Cambodia and Georgia have all been badly scarred by war.

Neglect and development are equally threatening. Industrial pollution and over-building in our cities have resulted in considerable damage. And build-

ing on, or too close to, archaeological sites is a constant threat.

Budapest in Albania is one of the 100 listed. It is a remarkable site that remains untouched by mass tourism or development. Although monuments do survive, they often suffer in the growing modern city and lose all sense of context. More dramatically, fire, earthquake and hurricane are often responsible for ending

the lives of monuments.

The 100 buildings were chosen partly because they reflect the scale of the threat and as demonstrations of the value of immediate restoration and remedial action.

It may be surprising to learn that even in a country like Austria the famous fountains of the Belvedere gardens in Vienna are in urgent need of repair. And at Cesky Krumlov in the Czech Republic, air pol-

lution has badly damaged the sculpture.

Pollution is also the villain at the Taj Mahal, where the road traffic in Agra and the smoke from generators and trains is not controlled. A new road would alleviate the problem in addition to gradual cleaning and restoration.

There is not much environmental pollution in the hills of Tibet, but the 14th century monastic estates are in dan-

ger. In addition, the seven-storey manor house at Drachi in Tibet has almost been forgotten.

Overall, politics has greatly hindered the conservation of Tibet's heritage, while three decades of war and turmoil in Cambodia have almost led to the loss of parts of the Angkor archaeological district.

In Europe, the great church (now mosque) of Hagia Sophia in Istanbul is in need of

repair. The dome's copper roof is cracked and roof leaks are affecting the interior and the stability of the timbers. Even the circular temple of Hercules in the Forum of Rome is suffering from eroded foundations and its marble is splintering.

The 100 list will be published later this month when grants will also be announced. World Monument Watch will choose candidates for its list until 2000. Nominations for next year's candidates will be welcome at the fund's offices in London and New York and in other cities - or you could send them to me and I will pass them on.

Advertisement for 'The money isn't in the vaults, it's in the database.' It promotes financial services using technology like data mining, EDI, and Internet banking. It includes contact information for the Finance Information Technology 96 exhibition.

THE WEEK AHEAD

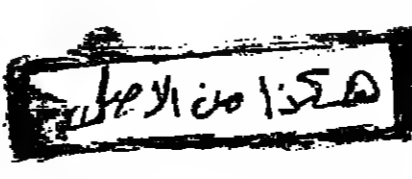
DIVIDEND & INTEREST PAYMENTS

Table listing dividend and interest payments for various companies and funds. Columns include the date (Today, Tomorrow, Wednesday, Thursday, Friday, Saturday), company name, and the amount of the payment.

UK COMPANIES

Table listing UK companies and their details, including company names, addresses, and contact information. It is organized into sections for Tomorrow, Wednesday, Thursday, and Friday.

Advertisement for the Finance Information Technology 96 exhibition. It features the Microsoft logo and lists speakers and suppliers. It also includes contact information for the exhibition.



BUSINESS TRAVEL

Travel News • Roger Bray

Passengers take off

If you've been finding it more difficult to get the flight you want in recent weeks, the monthly results from the Association of European Airlines may explain it.

seen before outside the peak leisure travel months of June-September.

Warning on Ecuador

Violent crime has increased in Ecuador, warns the UK Foreign Office. Visitors should avoid travelling by road at night and pickpockets are a hazard, especially in the steep cobbled streets of Quito's colonial heart.

In addition, travellers with time to spare should not be tempted to take in the view from Cerro Panecillo to the west of the city. The excellent South American Handbook

without which no-one should venture to the region, has been advising for some time against walking up to the observation platform there, noting that assaults are common.

Jamaica curbs eased

Relaxation of safety restrictions by the US Federal Aviation Administration has allowed Air Jamaica to schedule its new Airbus A310 aircraft on routes to the US and London. The airline was forced to delay their introduction because Jamaica's civil aviation department failed to satisfy the FAA that it was meeting international standards. Now

that the FAA is happy, flights from London start on May 11.

Crillon cuts a deal

The high price of the French franc has prompted a cut-price offer at the Paris Hotel de Crillon. Business travellers needing to spend two nights there this month - and able to take their partners - will pay FF2,900 (£374) per person including breakfast and a bottle of bubbly. That is a saving of FF400 on the normal corporate rate.

BA's smoke signals

BA passengers to North America should check whether smoking is allowed, as BA has

just imposed a smoking ban on some flights to 31 US gateways and to seven in the Caribbean. But smokers will still be indulged on some 30 transatlantic services to cities where the airline flies more than once a day.

And smoking will still be permitted on Concorde flights to New York and Barbados. However, more services look likely to become smoke-free - BA is testing customer reaction to a ban on the London-Madras-Singapore run and on flights to South Africa and the Middle East.

Surf's up at Heathrow

Travellers using London Heathrow are now able to surf

the Internet at the business centre between Terminals 1 and 2.

Developed by travel group Thomas Cook, which operates the centre, the new Net facility offers use of specially designed workstations with access to the World Wide Web, as well as a library of CD-ROMs.

It costs £60 a year to be a member of the centre (there are also corporate rates), although non-members can pay a surfing fee.

The centre provides laptop computers and printers, offers video conferencing, and has 15 meeting rooms with E-mail connections and audio-visual equipment on request.

Likely weather in the leading business centres

Table with columns for City, Mon, Tue, Wed, Thu, Fri. Cities include Tokyo, Hong Kong, London, Frankfurt, New York, L. Angeles, Milan, Paris, Zurich.

BEIRUT DAMASCUS 0345 320100

Air travel in Latin America is still risky despite improvements, says Stephen Fidler

Flying in Latin America and the Caribbean has long been riskier than in most of the rest of the world. Now, as air traffic grows, the safety gap is widening.

The safety gap

Latin America: the death toll

- January 11 1985, Intercontinental de Aviacion DC-9-15 flying from Bogota to Cartagena crashed minutes before landing. 51 dead, one injured.
April 28 1985, Guatemalan Airlines Mayas DC-8 cargo aircraft overtook runway by 100 yards and crashed into house in Guatemala City. At least eight dead.
August 10 1985, El Salvador: Aerolineas de Guatemala Boeing 737-200 en route Miami to San Jose, Costa Rica crashed in bad weather about 38 miles from San Salvador. 65 dead.
December 20 1985, Colombia: American Airlines Boeing 757-200, flying from Miami to Cali, crashed into mountain about 35 miles north-east of Cali. 183 dead.
February 4 1986, Paraguay: Lineas Aereas del Caribe DC-8 cargo aircraft, built 1965, en route to Brazil crashed immediately after take-off from Asuncion, at least 22 dead, five missing.
February 7 1986, Dominican Republic: Alas Nacionales Boeing 757 en route to Frankfurt, crashed minutes after take-off 12 miles north-east of Puerto Plata airport; 189 killed.
February 29 1986, Peru: Faucett Airlines Boeing 737-200 en route from Lima crashed five minutes before landing at Arequipa; 123 dead.

Source: FT World Insurance Report; news agencies.

Between 1977 and 1989, air travellers in Latin America were over six times more likely to be involved in a fatal crash than those in the US. Worst of all was Africa, with 13.25 crashes per 1m takeoffs, compared with 6.04 per 1m in Latin America, 5.47 in the Middle East, 4.66 in Asia, 4.11 in eastern Europe, 1.34 in Australia and New Zealand, 1.15 in western Europe; and only 0.88 in north America.

Last year, according to the magazine Flight International, there were 13 fatal air accidents in Latin America and the Caribbean, more than in any other region. There were 12 in the US, which is responsible for about half of the world's air traffic, nine in Africa and eight in the Commonwealth of Independent States.

Earl Weener, the Boeing's chief of systems, remarked recently: "The disparity in safety standards between the world's safest regions and those consistently less safe is not only large, but increasing." According to a study of air safety and security in the southern part of South America, prepared by Andrés Ricovert, an Argentine transport consultant: "The majority of the airports in the region

are close to operational saturation... There are innumerable deficiencies in the airport infrastructure of the different countries, which in some cases constitute serious threats to air traffic safety."

Responding to some of these concerns in September 1994, the US Federal Aviation Administration started to make public assessments of other countries' civil aviation authorities, which it had begun privately four years earlier.

In Latin America and the Caribbean, eight countries are at present assessed by the FAA as having an unsatisfactory system of aviation supervision - so-called category 3 - which means airlines based in these countries may not fly to the

US. A second group of nine airlines can exist in countries defined as bad neighbourhoods by the FAA, something which may sometimes not be well understood by consumers.

The 1994 announcement of the ratings created a storm in Latin America. Governments argued that the ratings were heavily influenced by politics: Russia and China do not appear on the FAA's list and Israel and Jordan, initially rated in category 2, were rapidly upgraded to satisfactory.

However, says Mr Robert Papkin, a Washington-based lawyer with Squires, Sanders and Dempsey, who acts in the US for some Latin American airlines: "Jordan and Israel responded very quickly to the

This emphasises that good airlines can exist in countries defined as bad neighbourhoods by the FAA, something which may sometimes not be well understood by consumers.

The 1994 announcement of the ratings created a storm in Latin America. Governments argued that the ratings were heavily influenced by politics: Russia and China do not appear on the FAA's list and Israel and Jordan, initially rated in category 2, were rapidly upgraded to satisfactory.

However, says Mr Robert Papkin, a Washington-based lawyer with Squires, Sanders and Dempsey, who acts in the US for some Latin American airlines: "Jordan and Israel responded very quickly to the

Early morning, 8.30 am, over the Irish Sea. The turboprop Fokker F27 of Jersey European Airways is bobbing and weaving. The seats are close together. Anyone over 6ft tall has his knees wrapped around his neck.

"Good morning, ladies and gentlemen," says the captain breezily. "We will shortly be passing over Barrow in Furness en route to Leeds/Bradford airport."

Breakfast is served: a bread roll, a carton of milk and a packet of cornflakes. There is no cereal spoon. Each individual flake, with milk, has to be balanced delicately on a teaspoon.

Month open, spoon ready for entry - and bang! The aircraft hits an air pocket. In the US, city-to-city air travel is relatively straightforward. Turn up at the airport, buy a pass, board the plane. No frills. Efficient. Cheap.

In Britain and throughout most of the rest of Europe, however, inter-city air travel is still locked in another age: cumbersome and often expensive enough to warp even the strongest credit card.

I was flying from Londonderry via Belfast to Leeds. An obscure route, true, but it is popular. The flight from Belfast onwards was nearly full. The cost of the return trip was £231, about the same as flying to New York and back from London. On top of this were taxi fares to and from the airports amounting to nearly £50.

The flight from Londonderry was helpful but unable to secure any reasonable fare. Various options were examined. There is a direct daily Londonderry/Manchester

No frills please Kieran Cooke finds a short trip can be an expensive experience

left at 7.25 am. First there was a 15-minute hop in a British Aerospace 146 jet to Belfast city airport. Then a half-hour wait and a transfer to the turboprop aircraft bound for Leeds/Bradford airport.

Londonderry has a new airport terminal and an increasing range of flights. However, it is still struggling to find a place on the aviation map. Some travel agents on the British mainland even deny the airport's existence.

Local politicians have not helped matters: nationalists did not want the airport to be called Londonderry and Unionists objected to calling it Derry. The compromise name is City of Derry airport. Many travel agents' computers fail to find it at all.

The agent in Londonderry was helpful but unable to secure any reasonable fare. Various options were examined. There is a direct daily Londonderry/Manchester

flight on British Airways. Fares on that service range from about £90 to more than £200 return.

But there is a problem with the train connection to Leeds. Or how about a flight to London and then take the train?

There are reduced fares for those travelling over a weekend, other fares for travelling on certain days of the week, and a different scale of fares for various times of the day.

It all seemed ridiculously complicated. If you are over 60 and have both grandparents travelling with you, it might be possible to fly at a less outrageous cost. But business folk are penalised.

Jersey European says the reason my fare on the Leeds route was so high was probably due to the fact that seats selling for lower fares had been sold out.

Only a certain number of seats have the same fare. "As with any airline, this practice is common and enables the airline to market a range of fares suited to the individual, offering varying degrees of flexibility," the airline told me.

Do individuals want to be confronted by such a complex fare structure? Would it not be better to give flexibility the heave-ho and instead have only one fare, applicable to all seats on all flights, priced as low as possible?

After an hour at the travel agency, I gave up. Hence the £231 seat over the Irish Sea, the milk and the cornflake. Maybe I should send Jersey European my dry-cleaning bill.

INTERNATIONAL BUSINESS TRAVELLERS Now you've got the WHOLE WORLD in your hands. Introducing OAG FlightDisk - the comprehensive worldwide flight schedule and travel guide for PCs and Networks. Priority Hotline 0990 447788. OAG REED TRAVEL GROUP

Asia-Pacific Survey. Travel the Asia-Pacific business world by mouse. Now that FT Country Surveys are available on disk, you may click your way around a country's business landscape with ease. Maps, graphs, tables... case studies... economic and political news and profiles... key facts. At the touch of a button, your FT Survey becomes a portable working document.

Handwritten signature or note at the bottom of the page.

ARTS

OPENINGS

MUNICH

The centrepiece of this year's Munich Biennale is "Marco Polo", a new opera by Chinese-American composer Tan Dun...

BARCELONA

Futurism - one of the most daring and polemical movements of the early 20th century...

AMSTERDAM

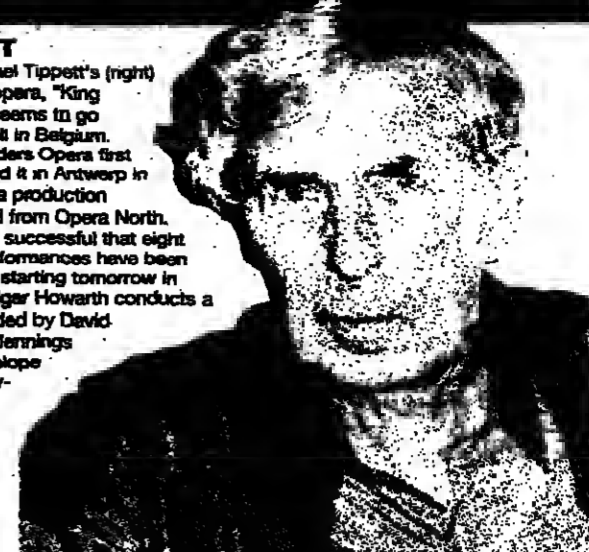
Over the next four years, the Van Gogh Museum plans to exhibit its entire collection of Vincent van Gogh's drawings...

LONDON

The Victoria and Albert Museum is marking the centenary of the death of the influential British designer William Morris...

GHENT

Sir Michael Tippett's (right) second opera, "King Priam", seems to go down well in Belgium...



Music in London

Birtwistle's 'Pulse Shadows'

Last week during the South Bank's Harrison Birtwistle "retrospective", we heard the most substantial of the composer's latest works...

David Murray

Conductor to watch

Daniel Harding is 21 this year and tipped as the brightest young British conductor. A protégé of Simon Rattle...

Adrian Jack

Anastasia reborn

Clement Crisp hails a revival of MacMillan's masterpiece

Anastasia was a ballet close to Kenneth MacMillan's heart - and to his psyche. The 1971 Covent Garden production was his second full-length ballet...



Viviana Durante: touching and fragile as Anna/Anastasia

True then, these words remain so now, with the restoration of Anastasia to the Royal Ballet repertory after 18 years...

Durante was Anastasia/Anna. Her child princess was touching, fragile, and experience will teach her how to dominate...

INTERNATIONAL ARTS GUIDE

AMSTERDAM

CONCERT Concertgebouw Tel: 31-20-5730573

ANTWERP

CONCERT De Singel Tel: 32-3-2483800

BERLIN

CONCERT Philharmonie & Kammermusiksaal Tel: 49-30-2614383

Raymonda: a choreography by Nureyev after Petipa to music by Glazunov...

EXHIBITION Berlinische Galerie - Martin-Gropius-Bau Tel: 49-30-254880

THEATRE Deutsches Theater und Kammerspiele Tel: 49-30-2824238

CONCERT De Singel Tel: 32-3-2483800

EXHIBITION Busch Reisinger Museum Tel: 1-617-495-9400

CONCERT Staatsoper unter den Linden Tel: 49-30-2082861

drawn from the museum's collection, traces the evolution of Picasso's themes and style...

CONCERT City Hall Tel: 27-21-4617084

OPERA Teatro Comunale Tel: 39-55-211158

CONCERT Victoria Hall Tel: 41-22-3283573

CONCERT Victoria Hall Tel: 41-22-3283573

CONCERT Victoria Hall Tel: 41-22-3283573

Helsinki Ballet: perform the choreographies Etudes by Lander, Forgotten Land by Kylan and The Second Detail by Forsythe...

CONCERT Warren Performing Arts Center Tel: 1-317-898-8081

DANCE Royal Opera House - Covent Garden Tel: 44-171-2122334

CONCERT Victoria Hall Tel: 41-22-3283573

CONCERT Victoria Hall Tel: 41-22-3283573

CONCERT Victoria Hall Tel: 41-22-3283573

Milano Goud; 7.15pm; May 7, 8, 9 (also 2pm)

MILAN DANCE Teatro alla Scala di Milano Tel: 39-2-72003744

MILAN DANCE Teatro alla Scala di Milano Tel: 39-2-72003744

MILAN DANCE Teatro alla Scala di Milano Tel: 39-2-72003744

MILAN DANCE Teatro alla Scala di Milano Tel: 39-2-72003744

MILAN DANCE Teatro alla Scala di Milano Tel: 39-2-72003744

Willems de Koning and 'Something of the Past' by Jackson Pollock...

PARIS OPELA L'Opera de Paris Bastille Tel: 33-1 44 73 13 99

PARIS OPELA L'Opera de Paris Bastille Tel: 33-1 44 73 13 99

PARIS OPELA L'Opera de Paris Bastille Tel: 33-1 44 73 13 99

PARIS OPELA L'Opera de Paris Bastille Tel: 33-1 44 73 13 99

PARIS OPELA L'Opera de Paris Bastille Tel: 33-1 44 73 13 99

WORLD SERVICE BBC for Europe can be received in western Europe on medium wave 648 khZ (463m)

EUROPEAN CABLE AND SATELLITE BUSINESS TV (Central European Time)

MONDAY TO FRIDAY NBC/Super Channel 07.00 FT Business Morning

10.00 European Money Wheel Nonstop live coverage until 15.00 of European business and the financial markets

17.30 Financial Times Business Tonight

09.00 Squawk Box 10.00 European Money Wheel 18.00 Financial Times Business Tonight

Listing compiled and supplied by ArtBase The International Arts Database, Amsterdam, The Netherlands. Copyright 1996. All rights reserved. Tel: 31 20 684 6441

Aznar ready for talks on job-creation pact Spain's new PM picks slimmed-down cabinet

Mr José María Aznar, Spain's new prime minister, took the first steps yesterday towards the leaner government by naming a reduced 14-member cabinet...

The Socialist party, the Communist-led United Left and leftwing regional parties. There was one abstention. The two deputies from the extremist Basque party...

chairman of the Ercros chemical group and of a Barcelona-based economics forum is close to the moderate Catalan nationalist party Convergència i Unió.

Europe and US to press Beijing on trade

By Tony Walker in Beijing

European and US trade officials descend on Beijing this week to press China to intensify its efforts to join the World Trade Organisation...

US officials have relayed an "action plan" to the Chinese, identifying factories involved in counterfeiting and urging their closure.

Mr Leon, who arrives in Beijing today as a guest of Mr Qian Qichen, China's foreign minister, will add Europe's voice to calls for sterner measures to curb intellectual property rights abuses.

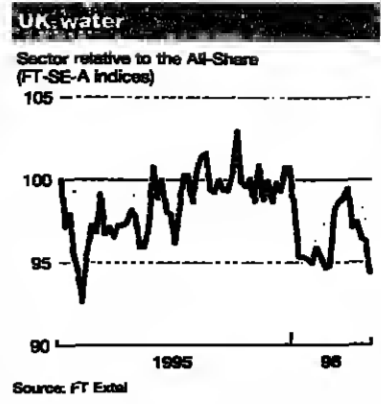
China has also added its voice to the growing clamour over MFN reissues with a warning that US business would suffer if this status, with its lower tariff privileges for Chinese exports, was not renewed.

CD piracy, Page 4

THE LEX COLUMN

Agreeing to disagree

As usual with Eurotunnel, things are even worse than they look. It turns out that the financial restructuring plan due to be put to the company this week does not have the backing of all the creditor banks...



way for share buy-backs. Furthermore, a wave of industrial restructuring will bring substantial job losses, which are good news for investors.

UK water

Seven Trent's suggestion that customers might try to conserve water by paying their bills in the sort of hopelessly public relations industry seems to excite at. But there is a serious point behind it.

AGF

The French government must be approaching the FF10bn (£1.25bn) sell-off of Assurances Générales de France with considerable trepidation.

European valuations

Today's global investor is spending more time choosing the right markets and less time picking individual stocks.

The UK market is currently valued at about 14 times this year's expected earnings.

US utilities likely soon to acquire UK power company

By Patrick Harverson in London

Midlands Electricity is expected within the next few days to agree to a £1.7bn (£2.6bn) takeover offer from two US utility groups led by General Public Utilities of New Jersey.

However, it is thought more likely that the offer will come in nearer 430p a share, worth about £1.7bn.

That would still be well ahead of the 371p a share Midlands accepted from PowerGen last year.

It was Mr Lang's unexpected decision to block PowerGen's bid - and a separate offer for Southern Electric by National Power - that sparked the surge of US interest in Midlands.

Within days of Mr Lang's ruling, at least three US utilities had approached the company.

Stock market speculation has suggested the US groups would offer between 450p and 500p a share for Midlands, valuing the company at up to £2bn.

share for Midlands, valuing the company at up to £2bn.

Two US utilities have already acquired English electricity supply companies: Southern Company bought Sweb and CSW bought Seaboard.

The likely lead buyer of Midlands, GPU, owns three US utility companies operating in New Jersey and Pennsylvania.

PowerGen, which owns 21 per cent of Midlands, said yesterday it had not been approached by the US bidders about acquiring its stake.

The generator stands to make a large profit on the holding, which it acquired for an average price of 352p.

sure to expand in other countries. With access to cash and cheap financing on the capital markets they have the means to do it.

US officials have relayed an "action plan" to the Chinese, identifying factories involved in counterfeiting and urging their closure.

China has also added its voice to the growing clamour over MFN reissues with a warning that US business would suffer if this status, with its lower tariff privileges for Chinese exports, was not renewed.

Mr Zhon Shijian, a trade ministry official, said Europe and Japan would be "gladful" if the US provoked a trade war over MFN. China has been playing up its decision last month to purchase \$1.5bn of Airbus aircraft in preference to Boeing.

Current disputes between the US and China extend beyond MFN and intellectual property. Other contentious issues are US accusations that Beijing has helped Pakistan's nuclear programme and a yawning trade gap, \$34bn last year.

Mahathir sole candidate for Malaysian PM

Continued from Page 1

plan, the most detailed of several macroeconomic blueprints, sets a series of targets for government policymaking and is meant as guidance to private and state entrepreneurs, as well as to foreign businesses, on what they should aim to achieve.

8 per cent have raised fears of overheating. The central bank recently tried to cool activity by raising interest rates, but economists said fine-tuning is required for a large privatisation programme and the property market.

Although Mr Anwar, who is also finance minister, is not known to have major differences on economic policy with Dr

Mahathir, a struggle between them could have precipitated infighting at many levels of UMNO, political analysts said.

It is conceivable that Mr Anwar, 49, may yet announce a challenge to Dr Mahathir ahead of a registration deadline tomorrow for the October elections.

FT WEATHER GUIDE Europe today South-west Europe will be unseasonably cool and unsettled. Most of the Iberian Peninsula will have frequent rain or thunder showers...

KPMG CORPORATE FINANCE A WINNING FORMULA IN THE AUTOMOTIVE MARKET. The automotive leasing sector is extremely active right now and shows no sign of slowing down.

Handwritten Arabic text at the bottom of the page.